

California Wind Energy Association

March 26, 2024

The Honorable Cottie Petrie-Norris, Chair Committee on Utilities and Energy California State Assembly 1020 N Street, Room 408A Sacramento, CA 95814

RE: AB 2619 (Connolly) - OPPOSE

Dear Chair Petrie-Norris,

The California Wind Energy Association (CalWEA) respectfully opposes AB 2619 (Connolly).

AB 2619 would repeal the long-studied decision of the California Public Utilities Commission (CPUC) to reform net energy metering (NEM) rates for rooftop solar installations. The CPUC's delayed decision came nearly a decade after the legislature directed it, in AB 327 (Perea, 2013), to establish a new tariff that would not result in cost-shifting between rooftop solar owners and other customers.

The CPUC's delayed reform proved to be very costly to non-solar customers, and is a significant source of the current unaffordability of utility bills: the CPUC's Public Advocates Office estimates that years of excessive compensation to solar owners has caused a cost shift of \$6.5 billion annually to non-solar customers, amounting to 15% of the average household's electricity bill in 2024.¹ The CPUC's adopted reforms, which AB 2619 would repeal, reduced, but did not eliminate, the cost-shift, meaning that new solar customers are still compensated significantly above the value that their solar systems provide to the grid.

CalWEA was one of many stakeholders that participated in the CPUC's years-long NEM-reform proceeding. CalWEA successfully rebutted the claims of the rooftop solar industry regarding the purported land conservation benefits of rooftop solar. The CPUC found that the solar parties did not "offer any evidence that increased net energy metering installations will directly result in decreased utility scale projects" and did not supply any evidence contrary to the evidence that CalWEA provided.²

¹ See: CPUC Public Advocates Office, "Rooftop solar incentive to cost customers without solar an estimated \$6.5 billion in 2024," (Updated February 28, 2024).

² See CPUC "Order Denying Rehearing of Decision 22-12-056" (June 30, 2023) at p. 14.

Were AB 2619 to pass, it would disrespect the substantial evidence presented and adjudicated in the NEM reform case that resulted in warranted reforms. Worse, by restoring the previous tariff, it would further increase already-high electricity rates and thereby discourage the electrification that will be required to achieve California's greenhouse-gas-reduction goals by raising the cost to operate electric cars, heat pumps, and other electric appliances that must replace fossil-fuel-based versions.

For these reasons, CalWEA respectfully opposes AB 2619 and requests your "no" vote.

Sincerely,

Nancy Rader

Executive Director

nrader@calwea.org

(510) 919-6358

cc: The Honorable Jacqui Irwin

Wanny Rada

Honorable Members, AB 1999 Joint Authors

Honorable Members and Staff, Assembly Utilities and Energy Committee