

DOCKETED

Docket Number:	16-OIR-02
Project Title:	SB 350 Barriers Report
TN #:	211915
Document Title:	California Municipal Utilities Association Comments: on Workshop on SB 350 Barriers Study
Description:	N/A
Filer:	System
Organization:	California Municipal Utilities Association
Submitter Role:	Public
Submission Date:	6/21/2016 9:41:36 AM
Docketed Date:	6/21/2016

Comment Received From: California Municipal Utilities Association

Submitted On: 6/21/2016

Docket Number: 16-OIR-02

on Workshop on SB 350 Barriers Study

Additional submitted attachment is included below.

BEFORE THE CALIFORNIA ENERGY COMMISSION

In the Matter of:

*Senate Bill 350 Study on Barriers to Low
Income Customers to Renewable Technologies
and Energy Efficiency Investment*

Docket No. 16-OIR-02

RE: Senate Bill 350 Barriers Study

**CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION COMMENTS
ON WORKSHOP ON PROPOSED SCOPE AND SCHEDULE
OF SENATE BILL 350 BARRIERS STUDY**

The California Municipal Utilities Association (“CMUA”) appreciates the opportunity to provide these comments to the California Energy Commission (“Commission”) on the *Public Workshop on the Proposed Scope and Schedule of the Senate Bill 350 Barriers Study* (“Workshop”), held on June 3, 2016. At the Workshop, Commission staff provided an initial overview of Senate Bill (“SB”) 350’s direction to the Commission and the initial plan for this proceeding.

CMUA agrees with SB 350’s conclusion that there is an insufficient understanding of the barriers to low income customers accessing renewable energy and energy efficiency investments. Therefore, CMUA supports the Commission’s effort to identify these barriers and to provide recommendations to address these problems. Increasing the deployment of energy efficiency and renewable power to low income customers may be a valuable tool in meeting the state’s environmental goals. In these comments, CMUA recommends topics for the Commission to include in its study, as well as considerations to factor into its recommendations.

I. COMMENTS ON THE WORKSHOP

A. The Commission Should Seek Input from Publicly Owned Utilities.

As community owned utilities, POUs have a long history of developing programs tailored to their customer’s needs and the unique characteristics of their service territories. POUs are

responsive to the feedback they receive on the performance of their programs, and adjust them to address problems or deficiencies. This history includes numerous programs targeted at low income customers. This experience can serve as a valuable tool for the Commission as it considers recommendations as part of its SB 350 Barriers Study. CMUA recommends that during one of the workshops in this proceeding, the Commission should include a panel discussion on utility low income program success stories and lessons learned.

B. The Commission’s Recommendations Should Recognize the Need for Discretion and Flexibility at the Local Level.

Any recommendation that the Commission makes in its SB 350 Barriers Study must recognize the significance differences between the investor owned utilities (“IOUs”) and the POU’s, as well as the substantial diversity among the POU’s. The vast majority of California’s POU’s have loads and customer bases that are a small fraction of the three large electric IOUs.¹ This means that POU’s can much more easily tailor their programs to the specific needs of their customers. It also means that a program that may be valuable in an IOU’s service territory might not be viable in an individual POU’s service territory. Similarly, a program that effectively meets the needs of one POU’s customers may be ill-suited to a different POU. This could be due to climate, customer preference, economics, or a host of other factors.

Maintaining local flexibility and discretion also promotes program responsiveness to changes in technologies and the marketplace. The process of designing a POU-specific program also fosters deeper utility coordination with its customer and the community that it serves. In contrast, broad statewide mandates may lack the flexibility to allow POU’s to prioritize the types of programs best suited to their customers and may actually take funds away from more efficient and valued programs.

¹ For Example, 22 POU’s had annual energy needs of less than 200 GWh in 2014. That is approximately 0.2% of either PG&E’s or SCE’s energy need and 1% of SDG&E’s energy needs during the same year.

Any Commission recommendations should ensure that discretion and flexibility remains with the POU's locally elected governing body. As a possible solution, the Commission should explore whether funding opportunities (such as grant funding), that would be available in both IOU and POU service territories, could provide incentives for programs to address the barriers identified in the Commission's study.

C. The Commission Should Study the Benefits of Community Solar.

One potential solution to addressing the barriers to low income customer access to renewable generation is through offering a community solar program. As described above, due to the variability of POUs, community solar will not make sense in all service territories. However, for many POUs, community solar may provide customers with access to renewable generation without some of the key barriers associated with other options, such financing and home ownership. The Commission should study whether incentives for utility community solar programs could reduce barriers to low income customers accessing renewables.

D. The Commission Should Study the Impacts of Net Energy Metering Design on Low Income Customers.

Under the current net energy metering ("NEM") program applicable to the POUs,² and the successor NEM program adopted by the California Public Utilities Commission ("CPUC") for the IOUs,³ NEM customers are compensated based on their applicable retail rates. It is possible that this design structure could be one factor that discourages low income customer participation in the NEM program. The Commission should consider the impact that NEM program design has on low income customer participation.

² Cal. Pub. Util. Code § 2827.

³ Decision ("D.") 16-01-044.

II. CONCLUSION

CMUA appreciates the opportunity to provide these comments to the Commission and looks forward to continue working with staff in this effort.

June 20, 2016

Respectfully submitted,



Justin Wynne
Dan Griffiths
Braun Blaising McLaughlin & Smith, P.C.
915 L Street, Suite 1480
Sacramento, CA 95814
(916) 326-5812 (office)
wynne@braunlegal.com

Attorneys for the
California Municipal Utilities Association