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November 12, 2019

TO: California Energy Commission

RE: Sacramento Municipal Utility District (SMUD) Application to Administer a Community Shared Solar System (# 19-BSTD-08) - **RESPONSE TO SMUD REBUTTAL DATED 11/6/19**

Dear Commissioners:

You already have Solar Rights Alliance's formal letter of opposition, dated October 8, 2019, to Sacramento Municipal Utility District's (SMUD) proposal to meet the state's new Solar Homes requirement through SMUD's *SolarShares* program. You also have hundreds of other comments in opposition from SMUD customers, environmental organizations, builders and solar companies.

We won't repeat those comments here, but do wish to point out several problematic aspects of SMUD's rebuttal.

1) SMUD's attempt to frame *SolarShares* as "consumer choice" is deceptive

Under *SolarShares*, most new homebuyers will not get to choose between true rooftop solar and *SolarShares*. The decision will have already been made for them by the builder, aided and abetted by SMUD.

In fact, new homeowners will get locked into *SolarShares* for twenty years. During that time new homeowners will find it difficult to impossible to add solar and storage even if they wish to do so.

SMUD claims the opposite, but conveniently omits that *SolarShares* will count as part of calculating their historic load. Once the load from *SolarShares* is factored in, most typically sized solar and storage systems will not be eligible for installation.

2) SMUD's dismissal of the paltry economic benefits of *SolarShares* indicates ignorance of the experience of over one million rooftop solar users

It is a fact - *SolarShares* will provide an average homeowner around \$20/year in economic benefits, with no option for battery storage. In contrast, the average homeowner sees hundreds of dollars in annual savings from rooftop solar. Combined with battery storage, those savings increase -- as does personal and community resilience during outages from floods, fires and earthquakes.

SMUD's only argument on the merits of these facts is quoted below. Little about SMUD's comparison between *SolarShares* and rooftop solar matches the actual experience of over one million solar users statewide:

"On-site solar benefits may or may not match the estimates in the Commission's cost effectiveness analysis. These benefits are not guaranteed – they will change over time with system performance (inverter failure is a common issue), changing utility rates, and changing electricity usage at the home..."

...It is true that distributed generation can provide some local benefits, such as avoiding land acquisition to host a solar farm and a potential amount of resiliency at a home in the event of a power outage...Other potential benefits from the Neighborhood SolarShares program include better system orientations for maximum solar generation, lower-cost solar installations, better maintenance, faster

repairs of system failures, and landscaping choices such as shadier trees that will benefit residents in participating homes over time.

...For the participating homeowner, [SolarShares] is more continuous and stable over time than on-site solar, which may suffer benefit loss due to weather conditions or system failures. In addition, the annual net benefit for participants under SMUD's SolarShares program is guaranteed for 20 years, in contrast to the estimated net benefit that the Solar Rights Alliance is using to compare options. The benefits that come with on-site solar are not guaranteed for any period. They can be substantially diminished by changes in utility rates, failures in on-site system components, and system degradation over time.

SMUD's assertion that *SolarShares* provides more reliability than rooftop solar is patently false on nearly every count.

SMUD's willingness to make these unsubstantiated claims indicates ignorance of the experience of over a million solar users in the state, and sidesteps the actual issue, which is that *SolarShares* locks new homeowners into a program with almost negligible economic benefits compared to rooftop solar.

SMUD's other arguments regarding "equivalent benefits" rest on technicalities that have nothing to do with the practical, real experience of thousands of future homeowners.

Overall, both the substance and approach to SMUD's defense of *SolarShares* reveals a disappointing lack of empathy for consumers, and a perspective that is entirely out of step with the public's understanding of the state's intentions.

To reiterate from our previous comment: Utility-scale renewable energy should be an important part of the state's transition to clean energy. We have no problem with SMUD investing in solar farms. They must do this anyway in order to meet the state's clean energy targets. But it makes no sense to restrict the growth of rooftop solar towards this end. Indeed, more rooftop solar and storage helps SMUD by reducing the amount of central capacity they must build.

To reiterate the stakes of your decision: Your Solar Homes plan captured the imagination of the nation, and world, by making the clean energy homes of the future a reality now. SMUD's proposal would undermine your accomplishment in one fell swoop, and leave new homeowners, new renters and our community worse off as a result.

Thank you for considering our position,

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