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# COMMENTS OF THE CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION ON THE SMUD REVISED COMMUNITY SOLAR APPLICATION

Additional submitted attachment is included below.

## STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:

Sacramento Municipal Utilities District Community
Solar Application

Docket No. 19-BSTD-08

## COMMENTS OF THE CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION ON SACRAMENTO MUNICIPAL UTILITY DISTRICT SOLAR SHARED PROGRAM REVISED APPLICATION

The California Municipal Utilities Association (CMUA) appreciates the opportunity to provide comments to the California Energy Resources Conservation and Development Commission (Energy Commission) on Sacramento Municipal Utility District's (SMUD) Revised Community Solar Application.

CMUA is a statewide organization of local public agencies in California that provide electricity and water service to California consumers. CMUA membership includes publicly owned electric utilities (POUs) that operate electricity generation and distribution and transmission systems. In total, CMUA members provide approximately 25 percent of the electric load in California. California's POUs are committed to, and have a strong track record of, providing safe, reliable, affordable and sustainable electric service.

#### I. INTRODUCTION

California 2019 Building Standards establish the requirements that must be met for a Community Shared Solar project to be eligible as a solar compliance option for newly constructed buildings (§ 10-115). In September 2019, SMUD submitted an application to be the

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<sup>&</sup>lt;sup>1</sup> 24 Cal. Code Regs. (CCR) § 10-115 and CCR § 150.1(b)(1).

administrator for a Community Solar Program which is designed to meet those requirements and provide participating builders and homeowners with an attractive, low-cost, and effective option to consider in addition to the option of onsite solar photovoltaic (PV) generation. CMUA submitted comments supporting the Community Solar option and encouraging the Energy Commission to approve SMUD's Community Solar application.<sup>2</sup> Energy Commission staff reviewed that application and determined that the SMUD application met the requirements established under § 10-115 and recommended Energy Commission approval.<sup>3</sup> The Energy Commission considered the application at its November 13, 2019 business meeting. Following lengthy public comment, the Energy Commission did not issue a decision on the application, determining that the issue be decided at a future business meeting. Important to note is that much of the opposing public comment on the initial SMUD application requested that the Energy Commission impose actions that exceed and are not required under § 10-115.<sup>4</sup>

SMUD submitted a revised application in December 2019 that included changes to its initial application which, although not required under § 10-115, were responsive to stakeholder feedback. Energy Commission staff reviewed SMUD's revised application and again determined that SMUD's initial and revised applications met the requirements established under § 10-115 and recommended Energy Commission approval.<sup>5</sup>

#### II. COMMENTS

#### A. Community Owned Solar Programs Present a Beneficial Compliance Option

<sup>&</sup>lt;sup>2</sup> Comments of the California Municipal Utilities Association on Sacramento Municipal Utility District Solar Shared Program Application, November 8, 2019.

<sup>&</sup>lt;sup>3</sup> Notice of Availability and Summary of Staff's Review of SMUD's Community Solar Application, September 24, 2019.

<sup>&</sup>lt;sup>4</sup> *Id.* at page 2.

<sup>&</sup>lt;sup>5</sup> Notice of Availability and Summary of Staff's Review of SMUD's Revised Application, January 17, 2020.

Community owned solar programs provide an important mechanism that will increase the options by which California can achieve its renewable energy goals. Community owned solar programs provide a reduced cost way of increasing solar generation and maintain choices for consumers who may not be best served by rooftop PV. Additionally, a Community owned solar program can be a very desirable option when there is insufficient space to install an appropriate number of solar panels, such as high-density single-family homes and multifamily projects, or where existing shading patterns would reduce rooftop PV generation, such as in neighborhoods of mixed single story and multi-story buildings. Community Solar programs can also allow increased tree density in new neighborhoods, improving air quality and home cooling and facilitating "tree canopy" benefits without reducing solar benefits.

## B. The SMUD Community Solar Application Meets Both the Specific Requirements and the Spirit of § 10-115.

In order to qualify as a compliance option, a Community Solar program must provide equal or greater energy performance as compared to onsite PV systems. Further, an eligible Community Solar program must provide energy savings benefits dedicated to the building and the reduction in the building's energy bill must be greater than the additional cost to the building of participating in the Community Solar program.<sup>6</sup>

SMUD will dedicate energy savings to each participating building per calculations from compliance software approved by the Energy Commission. Further, because the facility will be professionally managed and maintained, solar generation can be reasonably expected to remain more stable over time as compared to systems not professionally managed or maintained.

SMUD will also ensure that bill reductions from the Community Solar program will be exceed the cost of participating in the program. In addition, and not required under § 10-115, SMUD

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<sup>&</sup>lt;sup>6</sup> CCR § 10-115.

will facilitate a process where participating builders can buydown a share of the charge to participate in the Community Solar program so that the energy bill savings beyond the guaranteed level.<sup>7</sup> As a result, SMUD's revised application has met or exceeded the requirements of § 10-115.

#### III. CONCLUSION

CMUA supports the Community Solar Program and encourages the Energy Commission to approve SMUD's Community Solar Application.

Dated: January 31, 2019 Respectfully submitted,

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<sup>&</sup>lt;sup>7</sup> SMUD Community Solar Application, September 26, 2019.