



United States Senate

January 25, 2022

Alice Reynolds
President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Dear President Reynolds,

Congratulations on your appointment to the California Public Utilities Commission (CPUC), and please find my perspective and recommendations regarding the recent proposed decision on net energy metering.

California's clean energy production and efforts to electrify transportation and buildings lead the nation. Our leadership is the type of aggressive approach we must take to mitigate the worst effects of climate change. We must continue to ensure that transitioning to clean energy will benefit communities that have often been neglected, most importantly low-income neighborhoods, communities of color, and high pollution areas, by keeping rates reasonable. The Commission's steadfast attention to these important issues is appreciated.

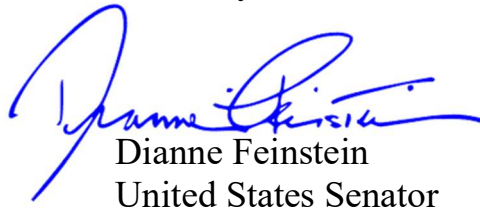
However, the Commission's proposal that may reduce the pace of adoption of rooftop solar and storage is concerning and may impact the state's conservation goals as we address climate change. Therefore, as the Commission updates its rooftop solar tariffs, please consider three changes to the December proposal:

- First, the monthly grid participation charge and export rates in the proposal should be reconsidered to spur adoption of this technology. The fee structure should properly reflect the benefits of distributed generation and promote wide adoption of rooftop solar.
- Second, incentivizing battery storage is critical to address reliability issues during the early evening hours and bring longer-duration storage to market. Individuals investing in this technology should benefit from shorter payback periods commensurate with the benefits to the electric grid that batteries provide.

- Finally, as the Commission reviews applications for community distributed energy this coming April, the CPUC should ensure the land use of proposed developments align with California's 30x30 land and water conservation commitment. As a longtime advocate to protect California's ocean, deserts, and lakes, any changes to the net metering process can and must support and strengthen our stewardship of the environment.

Thank you for your consideration of my recommendations, which will help the Commission achieve its clean energy and affordability goals. Consistent with these objectives, I will continue to support large federal investments in clean energy, including through refundable tax credits for rooftop solar and research and development for next generation technologies through energy appropriations. Please do not hesitate to contact me, or have your staff contact Rishi Sahgal on my staff, with any questions.

Sincerely,



Dianne Feinstein
United States Senator

DF/rs

CC: The Honorable Gavin Newsom, Governor, State of California
The Honorable John Reynolds, Commissioner, California Public Utilities
Commission
The Honorable Clifford Rechtschaffen, Commissioner, California Public Utilities
Commission
The Honorable Genevieve Shiroma, Commissioner, California Public Utilities
Commission
The Honorable Darcie L. Houck, Commissioner, California Public Utilities
Commission
The Honorable Toni Atkins, President pro Tempore, California State Senate
The Honorable Anthony Rendon, Speaker, California State Assembly