

May 28, 2012

The Honorable Speaker John A. Pérez
Honorable Members of the Assembly
State Capitol
Sacramento, CA 95814



Re: AB 2514 (Bradford) - OPPOSE

Dear Speaker Pérez and Members of the Assembly:

On behalf of the Local Clean Energy Alliance, I write to express our strong opposition to AB 2514 (Bradford) as presently written.

The Local Clean Energy Alliance is the Bay Area's largest local clean energy coalition, with 90 affiliated member organizations, including environmental justice, social justice, environmental, business, and community groups. The Alliance believes that it is through integrating energy demand reduction resources and local renewable generation resource that communities can achieve their full greenhouse gas reduction and climate adaptation potential while enhancing local economies, providing clean energy jobs, and improving community health.

AB 2514 currently includes an amendment that attempts to supercede the outcome of the CPUC docket regarding the calculation of the state's 5% net metering participation cap. The existing statute states that each utility must offer net metering until the capacity of net metered systems reaches "5% of aggregate customer peak demand" for that utility. In docket R. 10-05-004, the CPUC, has, for the first time, evaluated this statute to determine the appropriate method for calculating "aggregate customer peak demand."

The CPUC decision states that the current calculation method being used by some of the utilities to determine aggregate customer peak demand, namely using 'peak demand as reported to the Federal Energy Regulatory Commission,' is contrary to the language and intent of Public Utilities Code §2827(c)(1). Instead the Decision states that, "by this decision, the Commission clarifies that "aggregate customer peak demand" means the aggregation, or sum, of individual customers' peak demands, i.e., their non-coincident peak demands."¹

However, AB 2514, as recently amended, attempts to supercede the CPUC Decision by memorializing the conservative cap calculation approach advocated by the utilities. Not surprisingly, this would lower the net metering cap.

We urge your opposition to AB 2514 so long as it includes this limitation on net metering.

Sincerely,

Al Weinrub
Coordinator, Local Clean Energy Alliance

cc: Members of the Assembly

¹ California Public Utilities Commission. Docket R-10-05-004. "Proposed Decision of President Peevey." May 6, 2012.