



May 8, 2019

The Honorable Anthony Portantino
Chair, Senate Committee on Appropriations
State Capitol, Room 3086
Sacramento, CA 95814

**RE: SB 288 (Wiener) – Electricity: renewable resource self-generation and storage.
Oppose Unless Amended - As amended May 1, 2019**

Dear Senator Portantino:

The Southern California Public Power Authority (“SCPPA”)¹ respectfully **OPPOSES SB 288 UNLESS IT IS AMENDED**. While we appreciate the work that has gone into the most recent set of amendments which addresses key concerns regarding local control and the attempt to address cost-shifts, the bill still continues to create cost and operational concerns. As amended May 1, 2019, **SB 288** would create burdensome and expensive reporting requirements and increase electricity costs for customers who do not generate their own electricity.

REPORTING REQUIREMENTS

SB 288 directs the California Energy Commission (“CEC”) to evaluate the performance of the POU interconnection process for customer sited electrical resources. Each utility is unique in terms of size, staff resources, socioeconomic customer profiles, and location (including the need to account for potential safety hazards, like fire risks). **Creating yet another report will lead to increased workload on both the CEC and POUs and will presumably not add any value to the local interconnection process.** See comment #1 above

COST-SHIFTS

While **SB 288** has attempted to address whether POUs should create one or more tariffs for “fair compensation for customer-sited energy systems” and for energy that can be exported to the grid, it is important to ensure that POU ratemaking is maintained at the local level. Ambiguous language directing POUs to ensure that self-generation systems are not subject to discriminatory fees remains unclear, and still needs to be addressed. By their nature, POUs are not-for-profit and charges are based on the cost of service, which may include but are not limited to special service or equipment required by the DER or storage. These are not “discriminatory” in the context of this bill. Along with the development of tariffs, **SB 288** cites the export of electricity from the self-generating customer to the grid; however, it places no limits on how much electricity can be exported. POU governing boards must maintain the ability to impose limits on the number and size of interconnected self-generation resources--and any excess generation produced therefrom--in order to ensure electric distribution system stability and reliability, avoid encouraging or overcompensating self-generation for excess energy production when it is not needed or appropriate, and safeguard other customers against subsidizing personal self-generation resources. See comment #3

See comment #2

POUs are committed to assisting customers who want on-site renewable energy systems while also ensuring that those systems are installed properly and are safe, meet local regulatory requirements and environmental policies, and do not unfairly shift costs to other customers. We look forward to continuing conversations with the author’s office to address remaining concerns with the bill. For these reasons listed above, we must remain **OPPOSED to SB 288 UNLESS AMENDED**. Please feel free to contact Amy Mmagu or Tanya DeRivi at 916-440-0870 should you have any questions.

Sincerely,

Michael S. Webster
Executive Director

Cc: Members, Senate Committee on Appropriations
Anthony Samson & Tatum Ackler, Arnold & Porter

¹ SCPPA is a joint powers authority whose members include the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District. Each Member owns and operates a publicly-owned electric utility governed by a board of local officials. Our Members collectively serve nearly five million people throughout Southern California. Together they deliver electricity to over two million customers throughout Southern California, spanning an area of 7,000 square miles.