



December 17, 2019

RE: R.14-07-002, Informal Comments on NEM 2 Evaluation Research Plan

Dear CPUC Energy Division staff,

We understand you have begun the process of evaluating the current Net Metering program (NEM2). It has come to our attention that your vendor, Itron, has proposed using a soon-to-be-outdated methodology for looking at costs and benefits rather than the soon-to-be-updated 2020 methodology (the ACC model).

The difference between the 2019 and 2020 models are likely to be significant. Given that the outcome of this evaluation will impact consumer access to rooftop solar and battery storage in California for years to come, and especially in light of the critical role distributed generation must play to mitigate the power outages that have rocked the state recently, it is critical that that Itron use the 2020 model in its evaluation.

There appears to be broad agreement among experts that the 2019 model has incorrect or outdated inputs, and thus will not match the new model going forward.

It is particularly concerning that the 2019 model omits key benefits of distributed energy resources such as solar, including a robust measurement of avoided transmission and distribution costs and the value of grid resiliency.

With respect to protecting the public from unacceptably long and frequent power outages, we cannot afford to use outdated or incomplete methodologies when evaluating solar and storage - one of our most critical tools to making the grid more resilient, and easier and less expensive to manage.

In the interests of getting this right, we respectfully ask that the Itron report be delayed until after the ACC is updated in 2020. At the very least, Itron should only use the 2019 model to look at NEM avoided costs for only one year, 2019, and include a list of the disputed categories in their paper so that the flaws are transparent to the public and policy makers.

Thank you for your consideration of our request,

David Rosenfeld  
Executive Director