

October 20, 2023

Board of Directors, San Diego Community Power
PO BOX 12716
San Diego, CA 92112-3716

Subject: Letter of Support for the Adoption of the Net Billing Tariff (NBT)

Dear San Diego Community Power Board of Directors,

I am writing on behalf of the Solar Energy Industries Association (SEIA) to express our support for San Diego Community Power's (SDCP) adoption of the Net Billing Tariff (NBT) as the next evolution in incentives for customers who generate their own clean power. SDCP's NBT has several advantages, including:

SDCP's NBT promotes distributed solar and storage growth: SDCP's NBT program offers generation payment adders to support all customers who select to install on-site generation energy, including homes, businesses, schools, and community organizations. This \$.0075 "adder" above base rates for every kilowatt-hour sent to the grid by a customer and the \$0.11 adder for low-income customers enrolled in the California Alternate Rates for Energy (CARE) and/or Family Electric Rate Assistance Program (FERA) programs reduces the standard payback period and creates equal payback periods for all customers in SDCP's service territory, something which was not considered when the California Public Utilities Commission determined that adders were not necessary for San Diego Gas & Electric Company's NBT. Providing an enhanced adder for low-income customers is critical to ensuring that these customers are not left behind in the clean energy transition.

SDCP's NBT incentivizes battery storage adoption and enhances grid reliability: NBT encourages the use of battery storage alongside clean power generation. The benefits of this are twofold. First, storage allows the customer to use energy generated by their panels during low-value midday hours later in the day when the sun is not shining and energy prices are at their highest, shortening the system payback period. Second storage can help manage excess production such that it can be stored—instead of going to waste—and exported to grid to meet load during the peak period.

We are encouraged by SDCP's commitment to go above and beyond in its support of the local solar+storage industry and encourage this policy change with its focus on grid reliability and a clear commitment to equity for all customers.

Sincerely,

Stephanie Doyle
California State Affairs Director
Solar Energy Industries Association