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

**RE: R.20-08-020 (Virtual Net Energy Metering) - Maintain Strong Incentive & Value Proposition for Multifamily Properties to Install Solar + Storage**

Dear President Reynolds and Commissioners,

On behalf of the undersigned organizations, representing multifamily housing providers and community leaders across the state of California, we are writing to request that the Commission maintain a strong incentive and value proposition for multifamily properties to continue installing solar and storage and other distributed energy resources (“DER”) under the Virtual Net Metering (“VNEM”) program.

VNEM is a crucial tool that enables multifamily residential communities and multi-unit property owners to make investments in onsite solar resources and share the clean energy savings with their tenants. VNEM can maximize the value of onsite generation and enable greater self-consumption of electricity. DERs installed at multifamily buildings under VNEM can meet the electricity needs of many customers all under one roof to minimize demand on the electric grid and reduce grid costs for all.

Currently, over 37,000 renting families benefit from onsite solar at California multifamily properties thanks to the VNEM program. Renters are often low-income or minority populations that face systemic socioeconomic barriers. Renters lack the ability to make traditional investments in clean energy resources unlike property owners. VNEM enables multifamily properties to make these clean energy investments that result in tangible economic benefits for renters that they otherwise would not receive. Maintaining a strong VNEM program directly supports underserved communities and ensures equitable clean energy access for renting populations.

As property owners and developers ourselves, we encourage the Commission to reject any stakeholder proposals that propose to reduce the value proposition for onsite solar at multifamily buildings or eliminate onsite programs that are working today. The energy bill savings that renters receive from onsite clean energy resources that are installed at our properties (at our cost) far outweigh any bill savings estimates that renters may hypothetically receive from offsite community solar programs. Onsite programs provide more value and opportunities for customers to conserve and manage their energy

usage efficiently to further reduce their costs and generate bill savings. Community solar should be an additional option for customers, not a replacement for onsite solutions. We note that community solar has not achieved any meaningful success in California to-date and a new program has not yet been launched, raising our skepticism of the legitimacy and intent behind those stakeholders' proposals.

Without a strong VNEM tariff that incentivizes DER deployment and accurately accounts for the value and amount of energy that is consumed onsite, real estate owners and developers who invest in multifamily solar projects will not have a viable pathway to recoup investment costs other than by raising rents, nor could they share any bill savings with tenants, negatively impact housing affordability for renters. These are wholly inequitable outcomes for renters and underserved communities that must be avoided in the final decision of this docket.

Onsite solar serves the energy needs of multifamily buildings and their tenants first. Any extra power that is exported to the grid will travel to the next closest customer, enabling multifamily properties to meet the local electricity needs of their neighbors in the community with clean energy, further offsetting the need for neighboring customers to import energy from faraway fossil power plants. These basic principles of physics demonstrate the significant value that onsite solar and batteries provide to the electric system and other customers.

If property owners and developers are to contribute to meeting California's goals and triple the installed solar capacity in the state, as called for by the Energy Commission, we need your continued support of VNEM for multifamily communities. We encourage your deep consideration of the impacts this Decision will have on renters, ratepayers, and our climate goals and urge you to prioritize the interests of the underserved populations and communities you represent and serve.

Thank you,

cc:  
Commissioners  
Advisors  
Governor Gavin Newsom

KIRE Building Inc.

Domo Modular

ESSEX Property Trust Inc.

Immobilier Funds

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Wood Partners

Harridge Development Group

Sancerra

Mcmillin

Continental East Development Inc.

The Grupe Company

Nobell Energy Solutions

Metonic Real Estate Solutions

Frontier Communities

HomeFed Corporation

C4GS-ZEDlife LLC

Steve Brown, small landlord, Oakland

Vince Casalaina, small landlord, Berkeley