

1 [Supporting Assembly Bill 560, Net Metering]

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3 **Resolution supporting Assembly Bill 560 that would raise the cap on net metering, and**  
4 **possibly eliminate the cap entirely.**

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6 WHEREAS, Net metering is the billing arrangement by which electricity customers are  
7 able to install renewable generation, such as solar power, and offset retail electricity  
8 purchases with the renewable electricity they generate; and

9 WHEREAS, The State of California has experienced consistent growth in the amount  
10 of solar installed since enacting "net metering" legislation in 1995; and

11 WHEREAS, The nation turns to California and San Francisco for leadership in the  
12 deployment of solar, and the building of a sustainable, long-term renewable energy economy;  
13 and

14 WHEREAS, The City and County of San Francisco, in its efforts to become a national  
15 leader in in-city solar generation, offers considerable monetary incentives totaling thousands  
16 of dollars for solar power installations, as well as free solar power assessments for  
17 commercial properties; and

18 WHEREAS, The total amount of solar capacity eligible for net metering within the state  
19 is capped when the total rated generating capacity of net metered systems exceeds 2.5% of a  
20 retail electric service provider's "aggregate customer peak demand" pursuant to the provisions  
21 of the 2006 California Solar Initiative (CSI); and

22 WHEREAS, The City and County of San Francisco currently has 1,070 photovoltaic  
23 installations producing 7.25 Megawatts of solar power generating less than 1% of aggregate  
24 customer peak demand with the a goal of reaching 10,000 solar roofs by 2010, which, if  
25 achieved, would far exceed the 2.5% cap locally; and

1           WHEREAS, The installation of photovoltaic systems expanded to a 74% annual growth  
2 rate through March 2008 when the size limit on systems eligible for net metering was  
3 extended to 1 megawatt; and

4           WHEREAS, With this limitation in place and at current growth rates, the 2.5% cap will  
5 be reached in PG&E's territory within the next 18 months which will require action in the  
6 current legislative cycle to avoid subjecting the solar market to major disruption; and

7           WHEREAS, If the existing 2.5% cap is not raised, California's ability to achieve its goal  
8 under the California Solar Initiative of 3,000 megawatts of solar power would be jeopardized,  
9 and hundreds of small businesses that install solar systems will be at risk financially; and

10           WHEREAS, Net metering is not only crucial to a solar project's economics, but it also  
11 benefits all ratepayers by decreasing peak demand when electricity is most needed and most  
12 expensive; and

13           WHEREAS, Forty-four states and Washington, D.C. offer net metering, and eighteen of  
14 the net-metering states have eliminated the cap on total net energy metered capacity; and

15           WHEREAS, The California State Assembly is currently considering Assembly Bill 560,  
16 legislation introduced by Assemblymember Nancy Skinner that would raise the cap on net  
17 metering, and possibly eliminate the cap entirely; now, therefore, be it:

18           RESOLVED, That the City and County of San Francisco by and through its Board of  
19 Supervisors hereby supports Assembly Bill 560; and be it

20           FURTHER RESOLVED, That the City and County of San Francisco urges the  
21 California State Legislature to go one step further and join the eighteen states that have  
22 already eliminated their cap on net metering; and be it

23           FURTHER RESOLVED, That the Clerk of the Board of Supervisors shall forward a fully  
24 conformed copy of this resolution to San Francisco's state legislative delegation as well as the  
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1 President pro Tem of the California Senate, Speaker of the California Assembly, and  
2 Assemblymember Nancy Skinner.

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