

PRESS RELEASE

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CPUC ANNOUCES VIRTUAL NET ENERGY METERING DECISION

SAN FRANCISCO, **November 16**, **2023** – The California Public Utilities Commission (CPUC) issued a decision today regarding virtual net energy metering (VNEM). VNEM was established to allow multi-tenant buildings to participate in a net energy metering-style tariff program. Initially, it was created to serve participants of the Multifamily Affordable Solar Housing (MASH) program. Since its inception in 2006, it has grown to serve both low-income tenants and the general market.

The CPUC's decision modifies the existing VNEM subsidy with the creation of a virtual net billing tariff. The decision will help to reduce rate impacts to non-participating customers and improve price signals to encourage multi-tenant property owners to install solar with storage systems to support grid reliability.

"We support the CPUC's decision on VNEM," said Matt Baker, Director of the Public Advocates Office. "It seeks to value solar energy appropriately and is consistent with the CPUC's recent decision on rooftop solar."

The subsidies to VNEM have shifted costs to non-solar customers and have helped to drive rate increases. Given that low-income customers have historically been disproportionately impacted by solar subsidies because more affluent customers install solar at higher rates, we believe that the CPUC's decision is a step in the right direction in reducing rate impacts for customers who do not have solar.

The CPUC decision can be found here.

For more information on the Public Advocates Office, please visit www.publicadvocates.cpuc.ca.gov.

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