

# PG&E's Solar Choice Program from a Community Choice Perspective

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Pacific Gas and Electric, Inc. (PG&E) established its Solar Choice program pursuant to Senate Bill 43 (Wolk, 2014) that created the Green Tariff Shared Renewables Program. This program enables the three large utilities in the state to offer programs to their customers that credit their accounts for payments to support solar facilities constructed in the utility's service territories, and to offer other increased renewable energy options.

PG&E's Solar Choice Program was initiated for the stated purpose of expanding "access to renewable energy resources, and to create a mechanism by which institutional customers, commercial customers and individuals can meet their electrical needs with generation from renewable energy resources."<sup>1</sup>

In creating Solar Choice, PG&E was likely intent on competing with and perhaps undermining Community Choice Energy programs given that it called the program "Community Solar Choice" until Marin Clean Energy filed a formal complaint.

Community Choice Energy proponents have consistently argued that choice and competition in the electricity market are fundamentally good. This argument extends as well to PG&E's Solar Choice Program. PG&E's step to compete in the market instead of opposing Community Choice through ballot initiatives and legislation is a positive sign.

Comparison of PG&E's Solar Choice Program and Community Choice Energy programs

Issue	PG&E's Solar Choice	Community Choice Energy
1. Benefit to local communities	As an investor-backed program, Solar Choice must benefit PG&E shareholders. Some or most of program revenues flow out of the local community.	As a public program, the community decides the source of electricity and extent to which the community will benefit. Most if not all of the benefits accrue to the local community.
2. Decision-making about solar project development	Decisions made exclusively by PG&E	Decisions made by Community Choice governing board representing the community
3. Extent to which program reduces greenhouse gas emissions at speed and scale	As an opt-in program that requires customers to pay a premium, Solar Choice will likely enroll less than 10% of customers.	As the default energy provider, California's three operational Community Choice programs have each enrolled more than 70% of customers. Additionally, all three existing programs offer a 100% renewable energy option.

1

[http://www.pge.com/en/b2b/energysupply/wholesaleelectricsuppliersolicitation/RFO/CommunitySolarChoice.page?WT.mc\\_id=Vanity\\_communitysolarchoice](http://www.pge.com/en/b2b/energysupply/wholesaleelectricsuppliersolicitation/RFO/CommunitySolarChoice.page?WT.mc_id=Vanity_communitysolarchoice)



Ideally, each eligible community in PG&E's territory will soon have a Community Choice Energy program so that electricity customers have a choice of energy suppliers and enjoy the resulting benefits. Until that time, PG&E "Solar Choice" program may be useful for customers who don't have access to Community Choice Energy programs and who also can't install solar on their own homes or businesses because of shading or other prohibitive factors.

Customers who install solar on their homes and businesses produce the following benefits:

- Reduce energy costs
  - The cost of installing solar continues to drop.
  - The U.S. Congress recently extended the Investment Tax Credit.
  - The California Public Utilities Commission recently voted to continue mostly favorable Net Energy Metering policies.
- Strengthen local economies and create jobs
- Help accelerate the switch to renewable energy and thus eliminate the need for fossil fuel
- Contribute to the energy security that decentralized generation among many rooftops provides
- Help reduce the need for long distance transmission of electricity which is expensive and wasteful
- Increase home's resale value by 2.5 to 6.4%, as shown by many recent studies<sup>2</sup>
- Inspire neighbors to go solar

#### **More information:**

PG&E's Solar Choice Program (PG&E's Green Tariff Shared Renewables Program) on company's website: [http://www.pge.com/en/b2b/energysupply/wholesaleelectricssolicitation/RFO/CommunitySolarChoice.page?WT.mc\\_id=Vanity\\_communitysolarchoice](http://www.pge.com/en/b2b/energysupply/wholesaleelectricssolicitation/RFO/CommunitySolarChoice.page?WT.mc_id=Vanity_communitysolarchoice)

Communities where PG&E is planning to market its Regional Solar Choice product: [http://www.pge.com/includes/docs/pdfs/b2b/wholesaleelectricssolicitation/CommunitySolarChoice/GTSR\\_CommunityProjectCities.pdf](http://www.pge.com/includes/docs/pdfs/b2b/wholesaleelectricssolicitation/CommunitySolarChoice/GTSR_CommunityProjectCities.pdf)

Senate Bill 43 (Wolk): [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140SB43](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB43)

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*We have endeavored to give a fair, accurate, and helpful representation of PG&E's Solar Choice Program. Please direct suggestions, comments, and questions to Woody Hastings, Renewable Energy Implementation Manager, Center for Climate Protection, [woody@climateprotection.org](mailto:woody@climateprotection.org), (707) 525-1665 x117.*

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<sup>2</sup> February 2016 Solar Industry Magazine: [http://solarindustrymag.com/online/issues/SI1602/FEAT\\_02\\_Home-Appraisers-See-A-Premium-For-Rooftop-Solar.html](http://solarindustrymag.com/online/issues/SI1602/FEAT_02_Home-Appraisers-See-A-Premium-For-Rooftop-Solar.html)

