DER Rate Design & NEM

Affordable, Clean, Reliable Energy.
Creating System For the People, By the People.

Amy Heart, Sunrun Director Public Policy
NASUCA 2018
Create a planet run by the sun

Actual neighborhood of Sunrun customer homes
Decreasing Costs

Cost dropped by more than 70% since 2010 = new markets, more solutions
Increasing Accessibility

- Home PV adopted by more moderate income homeowners.
- Strong policies + financing resulting in investment by below median income households.

**Figure 2. Annual PV-adopter median incomes across all states in the sample**

Lawrence Berkeley National Lab, April 2018
Increasing Utility Interest

Utilities now want in. But at what cost? Are we throwing solutions away?

Michigan utility plans major shift from coal to solar in coming decades
Utility CapEx Could Explode Rates

THE EXPLOSION IN TRANSMISSION INVESTMENT OVER THE PAST DECADE

Investment in Transmission Infrastructure by Major Utilities (1996-2016)

- UNDERGROUND LINES AND DEVICES
- OVERHEAD CONDUCTORS AND DEVICES
- POLES AND FIXTURES
- TOWEL AND FIXTURES
- STATION EQUIPMENT
- RTO INFRASTRUCTURE
- STATION EQUIPMENT

Exhibit 4
Utility CapEx Could Explode Rates

- By 2030, utility CapEx spending could increase everyone's energy prices roughly **20 times** more than solar net metering.
Two Potential Futures
Two Potential Futures

- Grid Defection
- Stranded Assets
- Fossil Fuel-Dependent Energy System

- Affordable, Clean, Reliable Energy System
- Happy Citizens

- Fixed/Demand Charges
- Interconnection Delays/Costs
- Reduced Export Pricing
- Centralized Generation
- Utility Control

- Fair Export Compensation
- TOU Pricing
- Locational Adders
- Incentive-Based Utility Rates
- Competitive Solar+Storage

Grid Defection
Stranded Assets
Fossil Fuel-Dependent Energy System

Affordable, Clean, Reliable Energy System
Happy Citizens
Customer-Focused Energy Systems
Getting it Right

Let the **competitive free market** work to deliver innovation and affordability

New York  |  DC  | Nevada  | New Hampshire
Customer-Focused Energy Systems
Getting it Right

Maintain **fair compensation** with simple, stable rates to **deliver affordable energy**

California  |  Illinois  |  Colorado
Support **low-income programs** so more Americans can benefit from more affordable, cleaner, reliable energy.

Illinois  |  DC  |  California
Customer-Focused Energy Systems

Getting it Right

Accelerate a **better energy system** by creating incentives for **home batteries**.

Vermont | California | Massachusetts | Puerto Rico
Citizen-Focused Energy Future

AFFORDABLE, CLEAN, RELIABLE ENERGY

A better system created by the people, for the people.

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