

2022

The Year in Review



The California Alliance for Community Energy (the Alliance) is a statewide network of energized and engaged activists and grassroots organizations committed to the support and enhancement of Community Choice and other community energy programs. The common thread that unites Alliance members is our mission to advance local clean energy for the environmental, economic, and social justice benefits that it can provide to our communities.

Throughout this past challenging year, the Alliance continued to grow in commitment to this mission. The value of community energy (a decentralized energy model) lies not only in its ability to provide safer, more reliable, more affordable, more resilient, more sustainable, and more equitable energy. Local community energy is also a vehicle for economic development and local jobs, community engagement and empowerment, better health, and energy justice.

2022 Challenges

The Alliance's work to advance locally-driven community energy in 2022 has been made difficult by a couple key challenges:

- *The Governor, investor-owned utilities (IOU)s, and California Public Utilities Commission (CPUC) have collaborated to perpetuate the utility-driven centralized energy model.*

In 2022, they did so by intensifying their attack on community energy—the decentralized energy model—on behalf of PG&E and the other IOUs.

This has taken the form of a second proposed decision to gut Net Metering (after the first proposal was shelved when Newsom appointed Alice Reynolds to the presidency of the CPUC). Reynolds held back the second proposed decision, also hostile to rooftop solar, until after Newsom's re-election. Newsom's CPUC has been a staunch ally of the IOUs in curtailing the growth of rooftop solar, making it inaccessible to working families, schools, churches, and other community organizations.

The attack on community energy has also taken the form of Newsom's reversal of the 2016 decision to shutter the Diablo Canyon Nuclear Power Plant by 2025. Newsom's bailout of the nuclear industry and PG&E continues to shackle California communities to an extremely risky, unreliable, and overpriced source of power, while undermining investment in much safer, much more reliable, and much more cost-effective distributed energy resources.

- *Internal changes at the Alliance*

In 2022 our long-time Operations Director, Erika Morgan, who played a key role over the last several years in anchoring the work of the Alliance, moved on to another job. We are fortunate to have found and hired Elsa Wefes-Potter to take over many of Erika's responsibilities. At about the same time, Alliance Coordinator Al Weinrub encountered serious health issues. Navigating through such changes has been a challenge.

The year began by welcoming a number of new members to our Steering Committee: Selena Feliciano, Karinna Gonzales, and Jose Torreo-Bueno. As always, new folks represent new opportunities to build new relationships and integrate new perspectives in our work.

2022 Accomplishments

Thought Leadership

The Alliance plays a unique role in the clean energy movement in California. We bring our members into the forefront of debates about emerging energy policies and their impacts, especially as these affect community energy developments. Notable examples can be seen in our 2022 monthly statewide membership calls. These calls have invited leading experts to share their perspectives and engage our members on local clean energy policy and programs.

A sample of the year's discussions:

- *More Utility BS: Electrification vs Rooftop Solar*

The fallacies behind the new “sales pitch” for attacking rooftop solar in California: that “subsidizing” rooftop solar is too expensive, it no longer makes economic sense, and it has become an obstacle to the cheap energy needed to achieve electrification goals!

Featured speaker: Robert Freehling, energy policy analyst extraordinaire.

- *Barriers to Microgrid Deployment*

The challenges and barriers to community (multi-customer) microgrid development and what needs to be done to address them.

Featured speaker: Allie Detrio, Chief Strategist for Reimagine Power.

- *Is Community Choice Missing the Standards Boat?*

Many CCAs in California have failed to adopt strong workforce and environmental justice (EJ) standards for their energy projects. This has resulted in a less-than-stellar track record of projects with weak community and worker protections compared to the IOUs.

Featured speaker: Eric Veium, a co-founder of the Alliance.

- *In the Trenches of the Transition: One Step Forward, How Many Steps Backward?*

A retrospective insight into the rolling blackouts that impacted California in the summer of 2020 and whether the California Independent System Operator (CAISO) is dealing with the predatory “deregulated markets” that were responsible.

Featured speaker: Loretta Lynch, former president of the California Public Utilities Commissioner (CPUC) during the Enron-related California electricity crisis of 2000-2001.

- *Reimagining Energy For Our Communities*

An exciting national campaign advocating for community energy development that meets the needs of our communities: the Reimagine Energy for Our Communities, U.S. (REFOCUS) Campaign. The Campaign is being organized by the national Energy Democracy Project, a collaboration of some 40 local organizations across the U.S. that are fighting back against monopoly utilities and their centralized energy model.

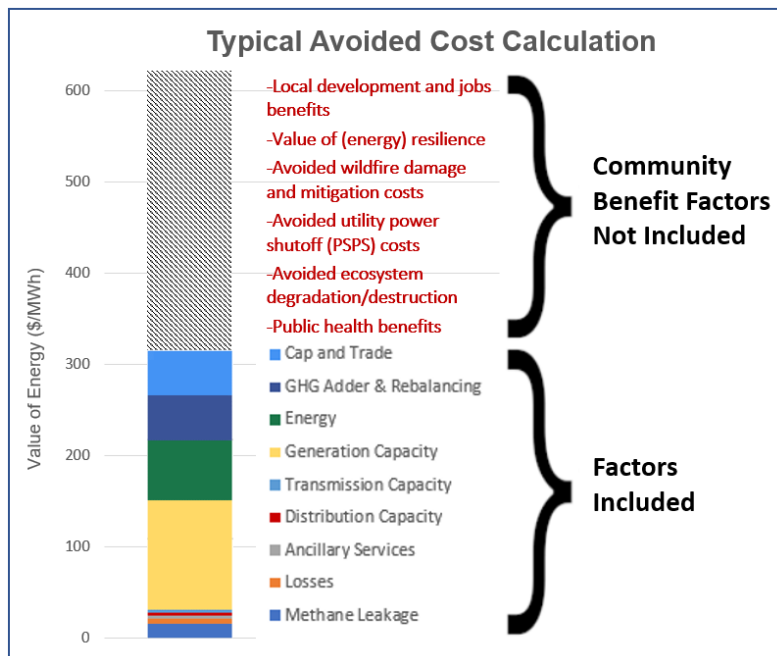
Featured speakers: Crystal Huang, Coordinator of the national Energy Democracy Project, and Selena Feliciano, Coordinator of the REFOCUS Campaign

Advocacy on Key Issues

The Alliance leadership was also visible in multiple struggles this year to advance local community energy development as a preferred option over the centralized, monopoly-controlled energy system. We fought to bring the options and equity benefits of the decentralized energy model to the fore in two main proceedings and related public and advocacy discussions:

- *Fighting to Preserve and Expand Net Energy Metering (NEM)*

Newsom’s CPUC kicked off 2022 with its proposed decision to drastically curtail rooftop solar growth in California. Calling on the Governor to retract this proposed decision, the Alliance issued its powerful position paper, *Newsom’s CPUC vs the People of California*, which exposes the CPUC’s utility-centric bias and its failure to fulfill its mandate to “serve the public interest.”



The paper shows how the CPUC’s utility bias is built into the Avoided Cost Calculator, which the agency uses to undervalue rooftop solar. This low valuation is then used to validate the bogus IOU “cost-shift narrative” employed to argue for draconian cuts in rooftop solar incentives. Essentially, the Calculator ignores the many community and societal benefits of rooftop solar to assert that solar adopters are shifting “costs” onto non-solar, low-income electricity customers. The Alliance paper exposes this false argument at the heart of the attack on rooftop solar.

Further, the Alliance’s paper argues that this utility-centric framework must be countered if community energy—and any real commitment to racial equity and energy justice—is to be realized in California.

- *Decentralized Energy and the fight for Equity at the CPUC.*

The Alliance was very active in 2022 in organizing and supporting efforts of a number of organizations to collaborate and speak with a more unified equity voice in their intervention in two key CPUC proceedings concerning distributed energy resources.

The first of these collaborations, the Microgrid Equity Coalition, consists of our Alliance (see our position paper on [Community-Driven Energy Resilience](#)), the Reclaim Our Power Campaign, the California Environmental Justice Alliance, and a number of parties to the CPUC’s Microgrid Proceeding. The thrust of the Coalition has been to address the obstacles to disadvantaged communities in obtaining grants for microgrid development. Recommendations to overcome such obstacles are contained in the Coalition’s publication, [Energy Resilience and Microgrid Development in Disadvantaged and Vulnerable Communities](#).

The other collaboration, the Local Energy Equity Coalition, was pulled together by the Alliance to develop a unified equity response to the CPUC's High DER Future proceeding. This proceeding will set conditions for distributed energy resource (DER) development and deployment for many years to come: whether the IOUs will have a lock on DERs or whether our communities will be able to realize the many societal benefits that DERs make possible.

In short, this proceeding will determine whether our communities will continue to be dominated by the current failed centralized energy model or will be able to meet their needs through a decentralized energy model (a community-centered high DER future). Very high stakes. The Local Energy Equity Coalition is [working within this proceeding](#) to make the right choice clear. This all starts with creating a powerful vision of what a community-centered high DER future would look like.

- *Newsom's Monster Nuclear Bailout*



In August, using the pretext of California's heat wave, Governor Newsom engineered the reversal of the hard-fought 2016 agreement by all parties—including the Governor's office—to shut down PG&E's obsolete Diablo Canyon Nuclear Power Plant by 2025. Newsom disingenuously argued that Diablo Canyon is needed to ensure reliable energy under high demand conditions. This argument ignores the fact that the rolling blackouts of August 2020 were due explicitly to the *unreliability* of Diablo Canyon.

In ignoring this reality, Newsom demonstrated yet again his commitment to bailing out the nuclear industry and continuing to tap ratepayers for the high price of nuclear power—in this case a \$1.4 billion/year ratepayer gift to PG&E to keep the menace of radioactive plutonium alive even when nuclear energy is not needed.

The Alliance jumped into the breach to oppose this extension of the centralized energy model—putting communities at risk while diverting investment from much safer, much more reliable, and much more cost-effective distributed energy resources. See the Alliance's [Action Alert](#) that made the case for opposing Newsom's last-minute legislative coup.

Looking Ahead: A Year of Growth, Consolidation, and Coalition-Building

In 2023, based on the strength of our collaborations, our commitment to advancing a decentralized energy model, and our priority on energy justice, the Alliance looks forward to defining a campaign to "Empower Community Energy." This effort arises from our five years of advocacy—in community education, extensive dialog with collaborators and allies, and passionate commitment to a more just energy future. The Empower Community Energy campaign will build still greater collaborations in service of a safer, more climate resilient, more economically inclusive and just energy framework. We anticipate a 2023 in which we commit our resources—human energy, financial and collaborative resources—to a path forward that envisions replacing the failing status quo energy model with a decentralized energy system that empowers all communities and all peoples to build a just, equitable, and safe energy future.