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PRESS RELEASE

Attorney General Frosh Opposes Petition to FERC to End State Net Metering Programs

Move Would Put State's Authority to Operate Clean Energy Programs and Consumers at Risk

BALTIMORE, MD (June 15, 2020) – Maryland Attorney General Brian E. Frosh today joined a coalition of 16 attorneys general, the California Energy Commission, and the California Public Utilities Commission in calling on the Federal Energy Regulatory Commission (FERC) to reject a petition seeking to end state net metering programs. Approval of the petition could deprive states of a vital clean energy program, financially harm millions of customers, and place thousands of jobs at risk.

The states' <u>protest</u>, filed with FERC today, argues that a petition by the privately funded "New England Ratepayers Association" (NERA) is unlawful and would improperly overturn long-settled precedent that recognizes state authority to implement net metering programs. Net metering allows customers that generate their own clean electricity—like using rooftop solar panels—to lower their retail electricity bills by offsetting the amount of electricity they use with the amount they produce.

"NERA's petition is cloaked in pro-consumer rhetoric, but is designed to undermine the market for rooftop solar," said Attorney General Frosh. "States like Maryland operate net metering programs to ensure that retail customers are properly compensated for their investment in rooftop solar. Upending the status quo, which has been fundamental to the buildout of solar resources across the country, would unnecessarily jeopardize the continued development of these environmentally important resources."

NERA is a corporate trade association that keeps its members and donors a secret, with a history of opposing state environmental regulation and renewable energy projects. In the protest filing, the states argue that the petition, which asks FERC to assert federal jurisdiction over 45 state net metering programs, would harm ratepayers, disrupt millions of dollars of investment in local power generation, and undermine state clean energy initiatives necessary for achieving emissions goals—many of which are legally mandated.

For nearly 40 years, state laws have allowed net metering or the assessing of retail service charges that reflect a customer's net energy usage during a billing period. In their filing, the states argue that NERA's petition fails to provide any credible argument or facts that would justify supplanting state jurisdiction over net metering programs. The states further point out

that NERA's petition is procedurally improper because it asks FERC to decide an issue for which there is no live controversy or uncertainty.

Eliminating state net metering programs would have negative environmental and economic consequences. The states' protest notes the critical role that net metering plays in helping states achieve their climate goals by encouraging investment in clean energy generation by all customers, including homeowners, small and large businesses, municipalities, and industrial customers. On top of that, net metering has spurred an economic boom in clean energy jobs. According to the states' protest, the solar industry has created more than 240,000 jobs nationwide, due in large part to net metering programs.

In addition to today's protest, Attorney General Frosh joined a bipartisan coalition of 31 attorneys general in sending a <u>letter</u> to FERC urging the commission to deny NERA's petition and to reaffirm the authority of states to regulate net metering.

Joining Attorney General Frosh in today's protest to FERC are the attorneys general of California, Connecticut, Delaware, the District of Columbia, Massachusetts, Michigan, Minnesota, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Washington, and Wisconsin, as well as the California Energy Commission, and the California Public Utilities Commission.

Joining Attorney General Frosh in sending today's letter to FERC are the attorneys general of Alaska, Arkansas, California, Connecticut, Colorado, Delaware, the District of Columbia, Hawaii, Illinois, Indiana, Iowa, Maine, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Washington, and Wisconsin.