Dear Commissioner Weisenmiller:

I just became aware in the last few days of the proposal in the new building energy efficiency standards rulemaking to mandate rooftop solar on all new residential buildings. I want to urge you not to adopt the standard. I, along with the vast majority of energy economists, believe that residential rooftop solar is a much more expensive way to move towards renewable energy than larger solar and wind installations. The savings calculated for the households are based on residential electricity rates that are far above the actual cost of providing incremental energy, so embody a large cross subsidy from other ratepayers. This would be a very expensive way to expand renewables and would not be a cost-effective practice that other states and countries could adopt to reduce their own greenhouse gas footprints.

Because I, and most other economists studying California’s energy policy, just became aware of this proposal, we have not had time to participate in the policy process or write public documents on the subject. At the least, I would urge you to delay adopting such a rule until independent analysis from energy experts can be made part of the record.

I will add that I have no financial interest in any energy company. I am expressing my views purely in the interest of moving forward with California’s fight against climate change in a cost-effective way that can be exported to other states and countries.

Sincerely,

Severin Borenstein