

SEMPRA FRONT GROUP'S

DECEPTIVE NEM CLAIMS



Image: Screenshot from IVC Media website

DIGITAL MEDIA FIRM BLOWS SEMPRA'S COVER

Sempra is behind The Fix My Energy Bill Coalition, which tells people it is “a diverse group of respected community leaders, business owners, and former elected officials.”¹ Banner ads have swarmed the Internet to promote the views of this supposed citizen’s group, targeting the NEM 2.0 decision. Sempra and SDG&E are not mentioned anywhere in this website. However, the consulting firm that created the ad campaign boasts of its work for Sempra to create this front group, saying, “Sempra and IVC create the Fix My Energy Bill coalition.”²

Sempra is clearly happy with the results. One of the company’s lobbyists provided a quote to help the PR firm win more business:

“The results from our work with IVC have been tremendous. I now understand that online technology and nonpartisan messaging can be extremely effective for public relations.”³

- Mitch Mitchell, Government Affairs for Sempra Energy

¹<http://www.fixmyenergybill.com>


² <https://ivc.media/#about>

³ <https://ivc.media/#about>

SPREADING

FALSE INFORMATION

The main piece of misinformation that the Fix My Energy Bill Coalition is spreading is a claim that net metering for solar customers is adding \$100 per year to the bills of non-solar customers, and that this will increase to \$360 per year in 2025⁴. Here is where those numbers are from:



Calculation on Current Tariff

- 4 kW average solar system cost - \$16,000
- Incentive Tax Credit - \$4,800
- Effective solar cost - \$11,200
- Annual subsidy/benefit = \$2,189
 - Annual utility cost shift - \$1,600
 - Annual generational benefit (4kW (.2) 8,760 hours) = 7,008 kwh x (.084 cents) = \$589

This represents credits to the customer for electricity supplied by the customer that the utility sells at full price to the customer's neighbors. It is compensation, not a subsidy.

This assumes that NEM credits are offsetting customer rates of 31 ¢/kWh, which is only true under steeply tiered rates for customers that are deep into the upper tiers. Utilities are phasing out tiered rates, and the average rate is 22 ¢/kWh.

SDG&E presentation to CPUC Dec. 7, 2015

When customers go solar, various utility costs are reduced. Calculating the benefit at 8.4 ¢/kWh only counts power contracts and excludes reduced spending on transmission and distribution. This should be at least 20 ¢/kWh.

The truth is that net metering creates a cost savings to non-solar customers totaling \$150 million per year statewide, reducing bills by 0.4%.

Sempra's Deceptive Tactics

- Putting out numbers based on continuing the 4-tiered rate structure when the Public Utilities Commission has already decided to dramatically change that structure is a blatant lie.
- Ignoring well-documented benefits of solar is a distortion of facts.
- Doing this in the names of others is deceptive.

⁴ http://www.fixmyenergybill.com/unfair_subsidies