



CITY OF HUNTINGTON BEACH

Pat Burns | Mayor

June 4, 2025

Honorable Lisa Calderon
California State Assembly
1021 O Street, Suite 6130
Sacramento, CA 95814

RE: AB 942 (Calderon) - Oppose

Dear Assembly member Calderon:

On behalf of the City of Huntington Beach, we respectfully express our continued opposition to AB 942, which, as amended, proposes significant changes to the state's Net Energy Metering (NEM) policies that could adversely affect our community's clean energy investments and economic resilience.

While we acknowledge and appreciate the removal of the provision that would have retroactively altered existing NEM agreements after ten years, the current version of AB 942 introduces new concerns:

1. **Impact on Property Transactions:** Effective January 1, 2026, the bill mandates those new owners of properties with existing solar systems transition to the current Net Billing Tariff (NEM 3.0) upon purchase. This change could devalue properties equipped with solar installations, as prospective buyers may face reduced financial benefits compared to the original NEM agreements. Such a shift may deter investments in solar energy and complicate real estate transactions.
2. **Elimination of the California Climate Credit:** The bill also proposes disqualifying eligible customer-generators from receiving the California Climate Credit, a benefit funded by Cap-and-Trade proceeds. This removal could increase the financial burden on solar customers and diminish the incentives for adopting renewable energy solutions.

These provisions raise concerns about the stability and predictability of California's energy policies. Homeowners and investors rely on consistent regulations to make informed decisions about renewable energy investments. Abrupt changes can undermine public trust and hinder the state's progress toward its environmental goals. For these reasons, the City of Huntington Beach opposes AB 942. We urge you to consider the potential negative impacts of this bill on clean energy adoption and property values. Thank you for your consideration.

Sincerely,

Mayor