



DRA

*Division of Ratepayer Advocates
California Public Utilities Commission*

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Dana S. Appling, Director

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March 26, 2009

Honorable Paul Krekorian
California State Assembly
State Capitol, Room 4005
Sacramento, CA 95814

RE: AB 64 (Krekorian and Bass)

Dear Assemblymember Krekorian:

The Division of Ratepayer Advocates (DRA) is the independent consumer advocacy division of the California Public Utilities Commission (CPUC). DRA's statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. DRA also advocates for customer and environmental protections in connection with utility service.

DRA supports your bill's efforts to increase renewable energy at the lowest cost to ratepayers. As a result of AB 64, California will be better positioned to reduce its dependence on carbon-emitting fossil fuels which will protect the environment, stimulate our economy and can potentially provide ratepayers with a hedge against a volatile gas market.

However, the costs to achieve 33% renewables by 2020 are unknown. All we have are varying forecasts, models and cost interpretations. That is why DRA would like to continue to work with the author's and other interested parties to ensure the ratepayer protection provisions of AB 64 are balanced with the goal to achieve 33% renewables by 2020, our reliance on tradable renewable energy credits and feed-in tariffs, and all while pursuing other greenhouse gas reductions efforts such as energy efficiency and conservation, given RPS program costs could be significant and will be borne by ratepayers.

By balancing the benefits of increasing renewable energy with ratepayer protections, DRA is confident we can achieve 33% renewables by 2020 and contain costs in a transparent way with the necessary reporting requirements and accountability.

If you have any questions or would like to discuss this matter further, please call DRA's Legislative Director Matthew Marcus, at (916) 327-3455 or me at (415) 703-2544.

Respectfully,

Dana S. Appling, Director
Division of Ratepayer Advocates

The Voice of Consumers, Making a Difference!