



ANALYSIS

CALIFORNIA PUBLIC UTILITIES COMMISSION

AB 380 (De La Torre) As Amended April 15, 2009

SUMMARY

This bill would establish the California Clean Energy Curriculum and Training Initiative of 2009, which would require the Labor and Workforce Development Agency to develop a standardized training curriculum (i.e., complete courses of study) to help build a skilled workforce in the clean energy sector.

CPUC POSITION AND SUPPORTING ARGUMENTS

OPPOSE UNLESS AMENDED. This bill contains similar goals as set forth in the Research, Development & Demonstration (RD&D) principles that were adopted by the Commission in D.07-09-042. These goals include overcoming significant barriers to adoption of solar and promoting integration of solar technology into the grid by addressing the shortage of skilled labor in the clean energy sector. The California Clean Energy Curriculum and Training Initiative, or any party in support of the goals of such an initiative, could therefore bid for a RD&D grant to achieve these objectives. Solar training and workforce would likely be considered for grants in the existing RD&D program, as already specified by Commission decision.

ANALYSIS

- This bill seeks to provide enhanced and increased workforce training in the clean energy industry. This bill would create a standardized curriculum for solar and other clean energy training programs in order to provide opportunities for new jobs in a growing sector. In the Commission's (D.)07-09-042, a plan has been adopted to award \$50 million in the form of grants to RD&D. The Commission has begun the process of allocating the RD&D funds. AB 380 would require the Commission to revisit the program and require modifications to existing contracts related to the RD&D program.
- In the Commission's decision, (D.)07-09-042, 70-85% of RD&D funding will be allocated to projects that support research, development and demonstration of solar technologies¹. AB 380 would divert funds that would be used to support these projects, and, therefore, undermine the larger goals of the RD&D program.
- The Commission's decision, D.07-05-047, directed CSI Program Administrators, Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and the California Center for Sustainable Energy (CCSE) to each allocate \$500,000 to

¹ D.07-09-042, p.3.

marketing and outreach activities annually. These activities currently include installer training classes aimed at educating the solar workforce. Further, the CPUC plans to develop a long-term marketing and outreach plan in the future, which could potentially allocate funds to activities outlined in AB 380. CSI marketing and outreach activities could implement AB 380's goal of workforce development without legislation.

- Other sources of funding should be identified to establish the California Clean Energy Curriculum and Training Initiative, including funds from union training programs, American Recovery and Reinvestment Act training and workforce development funds, and the resources of colleges and vocation schools.

PROGRAM BACKGROUND:

- Senate Bill 1 (Murray/Chapter 132, Statutes of 2006) created the California Solar Initiative (CSI) with the goal to install 3,000 megawatts of solar power by 2017. The CSI has a total budget of \$2.167 billion. \$1.897 billion is allocated to the General Market Program (including direct incentives for PV and non-PV technologies), \$217 million is allocated to programs for Low-Income residences, \$2.6 million is allocated to a solar hot water pilot program, and \$50 million is allocated to the RD&D program.
- Public Utilities Code 2851 requires \$50 million of CSI funds to be allocated "to research, development, and demonstration that explores solar technologies and other distributed generation technologies that employ or could employ solar energy for generation or storage of electricity or to offset natural gas usage".² Pursuant to this statute, the RD&D Program was established by D.07-09-042 in 2007.
- The Commission decision, D 07-09-042, the RD&D Program budget allocates 25 to 30 percent of the budget to Research and Development of solar technologies, 45 to 55 percent of the budget to Demonstration (i.e., activities that bring the technologies closer to market), and 5 to 10 percent to Deployment (i.e., activities that promote widespread commercialization of solar technologies).
- California may secure up to \$50 million of ARRA funds for workforce development and training, to be awarded on a competitive basis.

LEGISLATIVE STAFF CONTACT

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² PU Code 2851 (C)(c)(1).