PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs

770 L Street, Suite 1050 Sacramento, CA 95814 (916) 327-3277



The Honorable Alex Padilla, Chair Senate Energy, Utilities & Communications Committee State Capitol, Room 4038 Sacramento, CA 95814

RE: SB 14 (Simitian) – As Amended February 17, 2009 – Oppose unless amended Status: Senate Energy, Utilities & Communications Committee

Dear Senator Padilla:

Friday, the California Public Utilities Commission (Commission) voted 4 to 1 to oppose SB 14 unless it is amended. SB 14 would increase the renewables portfolio standard (RPS) target to 33% in 2020, modify the RPS program, as well as make several changes to non-RPS-related programs and the CPUC's governance structure.

The Commission supports the advancement of the renewable portfolio standard beyond 20% by 2010 towards a goal of 33% by 2020. Indeed, the Commission considers increased procurement from renewable sources to be a critical element of meeting AB 32's emission reduction goals and greening California's power production and consumption. However, the Commission has concerns with several of the non-RPS-related provisions in SB 14, including the proposed modifications to the CPUC's governance structure, and believes these provisions should be placed in separate bills.

Please see the attached analysis for a detailed explanation of the Commission's position.

If you have any questions or wish to discuss this matter further, please do not hesitate to call me at (916) 327-8441.

Sincerely,

PAMELA C LOOMIS

Director

Attachment

cc: The Honorable Joe Simitian, Member, California State Senate

Members, Senate Energy, Utilities & Communications Committee

Kellie Smith, Senate Energy, Utilities & Communications Committee

Wade Teasdale, Senate Republican Caucus/Policy

Kip Lipper, Office of the President pro Tem

John Moffatt, Chief Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger

