

## PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs

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

June 17, 2009

The Honorable Felipe Fuentes, Chair  
Assembly Utilities & Commerce Committee  
State Capitol, Room 5136  
Sacramento, CA 95814**RE: SB 412 (Kehoe) – As Amended May 28, 2009– SUPPORT**  
**Status: Assembly Committee on Utilities and Commerce**

Dear Assemblyman Fuentes:

On May 7, 2009, the California Public Utilities Commission (Commission) voted unanimously to support SB 412. This bill would amend the existing Self-Generation Incentive Program (SGIP), a program established to reduce peak load and incentivize new and emerging technologies (Public Utilities Code 379.6), to give the CPUC authority to determine eligible technologies for SGIP based on greenhouse gas (GHG) emissions pursuant to AB 32 (Pavley, 2006), the California Global Warming Solutions Act of 2006.

SB 412 would allow SGIP to provide incentives to new and emerging technologies as determined by the Commission, but limit the funding to technologies that support the GHG goals of the state. The bill updates the intent of the SGIP program that started as a peak load reduction program in order to expand it to meet the GHG goals of the state. This bill returns flexibility to the CPUC to design the SGIP to meet the legislature's updated intent for the program.

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) 324-5945.

Sincerely,

A handwritten signature in black ink, appearing to read "Erin Grizard".

Erin Grizard  
Legislative Liaison

Attachment

cc: The Honorable Christine Kehoe, Senator, California State Senate  
Members, Assembly Utilities & Commerce Committee  
Edward Randolph, Assembly Utilities & Commerce Committee  
Daryl Thomas, Republican Caucus/Policy  
John Moffatt, Chief Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger