

PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs
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June 17, 2009

The Honorable Alex Padilla, Chair
Senate Energy, Utilities and Communications Committee
State Capitol, Room 2195
Sacramento, CA 95814

RE: AB 1536 (Blakeslee) – As Amended May 6, 2009 – Support if Amended
Status: Awaiting hearing in Senate Energy, Utilities and Communications Committee

Dear Chairman Padilla:

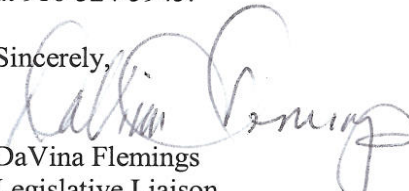
On June 4, 2009, the California Public Utilities Commission (Commission) voted unanimously to support AB 1536 if amended. This bill would rename the existing Self-Generation Incentive Program (SGIP) to the Clean Technology Incentive Program, modify the program's purpose, expressly allow stand-alone storage technology used on customer sites to be funded under the program and establish a \$75 million annual program budget limit.

The Commission supports Assemblyman Blakeslee's intent to expand the existing SGIP program. However, this bill as currently written redefines the program would limit the Commission's ability to support the State's broader energy policy goals and greenhouse gas reduction targets. The bill should be amended to remove the provision that energy storage facilities use emerging technologies not in commercial use, and allow the Commission flexibility to determine technology eligibility. Furthermore, we recommend removing the annual budget cap provision, and instead cap the total program expenditures over the remainder of the program.

We look forward to working with the author and committee staff on these amendments in order for the Commission to fully support this bill. Please see the attached analysis for an 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,


DaVina Flemings
Legislative Liaison

Attachment

cc: The Honorable Sam Blakeslee, California State Assembly
Members, Senate Energy, Utilities and Communications Committee
Kellie Smith, Consultant, Senate Energy, Utilities and Communications Committee
Wade Teasdale, Senate Republican Caucus/Office of Policy
John Moffatt, Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger