



## Californians for Energy Choice

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Senate President Pro Tempore Kevin de León  
State Capitol, Room 205  
Sacramento, CA 95814

Senate Appropriations Chair Ricardo Lara  
State Capitol, Room 5050  
Sacramento, CA 95814

May 27, 2015

Re: SB 286 (Hertzberg) OPPOSE UNLESS AMENDED

Dear Senators,

I write on behalf of Californians for Energy Choice, the statewide coalition of Community Choice energy supporters which helped to coordinate last year's successful fight to defeat AB 2145 and thereby protect the advancement of renewable energy in California. We are writing to express our concern about SB 286 (Hertzberg), which would increase the availability of Direct Access electricity. Our position is "Oppose Unless Amended," as explained below:

The central question for SB 286 and any energy-related legislation put forward in 2015 should be: "Would it help or hurt the clean energy bill SB 350 and the overall greenhouse gas emissions-reduction goals set by Governor Brown and the Legislative leadership?" The answer is that SB 286 as currently written would undermine SB 350 and the state's greenhouse gas emissions objectives.

SB 286 requires that the added supply of Direct Access meet only a minimum standard of 51 percent power from renewable sources. This merely matches SB 350's target of 50 percent renewables, while contrarily encouraging more production of large amounts of low-cost, 49 percent brown power that would be cheaper than renewable power.

This fundamental contradiction in SB 286 undermines incentives for large companies, universities, school districts, and Community Choice programs, to buy, build, and deliver higher volumes of green power at prices competitive with fossil fuel electricity, in order to exceed the 51 percent renewable threshold.

In the 21st century, California needs to mobilize all of its resources, and a new workforce, to rapidly transition to a low-carbon electricity grid which is carefully designed to optimize the system's reliability and resource adequacy. It makes no sense to encourage more deregulated dirty power and generation facilities that do not fit into that modern energy network, and which provide no benefit of greenhouse gas reduction or new job creation in disadvantaged communities.

**We request that SB 286 be amended as follows:**

- **Stipulate that 100 percent (not 51 percent) of the new direct transactions are for electricity products from eligible renewable sources meeting the portfolio content categories.**
- **Require that a substantial proportion of the electricity sold under the new Direct Access opening shall be derived from generation sited in areas previously identified by the California Environmental Protection Agency as the most impacted and disadvantaged communities.**

Thank you for your consideration of this crucial matter impacting the state's progress on clean energy.

Sincerely,

Eric Brooks, Co-Coordinator  
Californians for Energy Choice

cc: Senators Robert Hertzberg, Jerry Hill, Pat Bates, Jim Beall, Connie Leyva, Tony Mendoza, Jim Nielsen