7.i. Oppose Letters – Members/Caucus

No relevant documents found

7.ii. Oppose Letters – Organizations/Local Gov't



OFFICE OF THE MAYOR

September 14, 2006

The Honorable Arnold Schwarzenegger Governor of California State Capitol Building Sacramento, California 95814

Approve AB32 (Nunez); and Veto SB 1368 (Perata) and AB 2021 (Levine) RE:

Dear Governor Schwarzenegger:

On behalf of the City of Pasadena, I am writing to urge you to sign Assembly Bill 32 (Nunez), the California Global Warming Solutions Act of 2006 into law and veto Senate Bill 1368 (Perata) and Assembly Bill 2021 (Levine).

The City of Pasadena has a long history of supporting the environment, and believes that global warming is a serious problem that requires an early comprehensive plan of action. On October 13, 2003, the Pasadena City Council adopted a Renewable Portfolio Standard (RPS) and has since approved contracts with wind, geothermal, and landfill gas generation products that are expected to nearly triple our renewable energy supply, reaching 13% of retail sales of 2010. The City of Pasadena is a signatory to the "Memorandum of Understanding Pledging the Support of the State of California for the National Action Plan for Energy Efficiency" and a voluntary member of the California Climate Action Registry. On September 18, 2006, the Pasadena City Council will consider endorsing two significant environmental agreements - the United Nations Green Cities Declaration and Urban Environmental Accords and the United States Mayors Climate Protection Agreement. Lastly, Pasadena Water and Power (PWP) is currently developing a comprehensive environmental policy that calls for greenhouse gas (GHG) and other emissions reductions, prioritizes water and energy efficiency and renewable resource development, and generally calls on PWP to minimize its environmental impacts.

AB 32 offers a comprehensive approach to reporting, verification, and reduction of Statewide GHG emissions consistent with State policy. The City of Pasadena supports AB 32 because it is a comprehensive GHG legislation that provides flexibility for each industry sector and local utility regulatory authority to determine the most cost effective means of achieving the statewide goal. I respectfully urge you to sign AB 32 into law.

SB 1368 and AB 2021 are two bills that I cannot support. These bills, which target specific resources and industries, would jeopardize local officials' long-term planning and investment authority, override the existing law, and create potential for significant increase in cost to our constituents without corresponding benefits to the environment.

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The City of Pasadena supports the objective of reducing utility sector emissions with due consideration for cost, reliability, and alternative resources to sustain an effective energy policy. SB 1368 would (1) remove the authority of elected officials in cities with a municipal electric utilities utility to enter into long-term contracts for electricity; (2) prohibit municipal electric utilities from operating or buying long term power from any base load generation other than those meeting California's greenhouse gas emissions standard; and (3) fails to address how, and at what cost, to replace electricity displaced by California's greenhouse gas emissions standard. What cost, to replace electricity displaced by California's greenhouse gas emissions standard. SB1368 would prohibit the City of Pasadena from renewing power contracts with the existing out-of-state plants that were paid for by Pasadena's customers. This will almost certainly result in significant increase in cost to citizens of Pasadena. Meanwhile, those out-of-state plants will continue to operate and GHG emissions will not be reduced. AB 32, on the other hand, would achieve the goals of GHG emissions reductions without these adverse impacts.

AB 2021 is based on a false hypothesis that publicly-owned utilities are not contributing to the State's energy efficiency goals. Over the years, the City of Pasadena has developed many energy efficiency programs, both large and small, that meet requirements of the law and of the local community. These vital energy efficiency programs result in extending resources and serving more people with the same generation and transmission capacity. AB 2021 overrides the provisions of SB 1037 (Kehoe), Chapter 366, Statutes of 2005, which became law effective January 1, 2006. SB1037 requires local publicly-owned utilities such as PWP to make energy efficiency programs a priority before acquiring other sources of electricity or building efficiency programs a priority before acquiring other sources of electricity or building effective, reliable and feasible. Thus, to the extent that AB 2021 would require energy efficiency goals in excess of those required by SB 1037, AB 2021 would impose requirements to implement energy efficiency programs that are not cost effective, reliable and feasible.

Furthermore, energy efficiency will be a key mechanism for compliance with the GHG emissions goals, thus AB 32 provides the right policy incentive for energy efficiency without imposing overly prescriptive solutions on local regulatory authorities.

For these reasons, I urge you to sign AB 32 into law, and veto SB 1368 and AB 2021.

Sincerely.

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Mayor

cc: Assembly Speaker Fabian Nunez.
Dennis Albiani, Office of Governor Arnold Schwarzenegger
Senator Don Perata
Assembly Member Lloyd Levine
Cynthia J. Kurtz, City Manager — City of Pasadena
David Jones, Emanuels Jones & Associates