

**6.i. Support Letters – Members/State Electeds**

**CRUZ M. BUSTAMANTE**  
Lieutenant Governor  
State of California

September 9, 2002

The Honorable Gray Davis  
Governor, State of California  
State Capitol, First Floor  
Sacramento, CA 95814

Dear Governor Davis:

I write to **REQUEST YOUR SIGNATURE** on **SB 1078 (Sher)**, a legislative effort to protect our environment as we expand our energy portfolio to meet California's growing needs.

We need to establish standards for renewable energy to ensure the sustainability of the electricity that powers our homes and businesses. This measure would require that all electricity providers sell a specified percentage of electricity generated by renewable sources.

By establishing a 20% renewable energy standard, this legislation takes a calculated step toward protecting our state from negative environmental impacts.

This bill shall only have a minor fiscal effect on the State of California. The benefits of SB 1078 far outweigh the fiscal expenditures and resource allocations that our state must devote. We owe it to our future generations to protect our environment.

I respectfully request that you sign SB 1078 into law.

With kindest regards,



**CRUZ M. BUSTAMANTE**  
Lieutenant Governor

cc: The Honorable Byron Sher  
Mr. Dan Jacobsen, California Public Interest Research Group

CMB/AZ

## **6.ii. Support Letters – Organizations/Local Gov't**

Government Relations  
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Sacramento, CA 95814-2523  
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September 6, 2002

The mission of the  
**AMERICAN LUNG  
ASSOCIATION.**  
of California is to prevent  
lung disease and promote  
lung health.

The Honorable Gray Davis  
Governor, State of California  
State Capitol, First Floor  
Sacramento, California 95814

**SB 1078 (Sher) Re: Renewable Portfolio Standard**

**Request For Signature**

Dear Governor Davis:

The American Lung Association of California and its medical section, the California Thoracic Society, request your signature on SB 1078 (Sher), which would establish the Renewable Portfolio Standard (RPS) and CEC Renewables Investment Plan in California. SB 1078 (Sher) would require increasing reliance on zero-polluting renewable energy resources like solar, geothermal and wind power in California over the next decade.

SB 1078 would require that by 2017, renewable resources account for at least 20% of California's electricity supply. Increasing renewable resources will protect public health and the environment through promoting energy diversity and reducing dependence on convention energy sources. Renewable energy sources are extremely cost effective compared to the cost of conventional energy sources, and their use would also help to insulate California from fluctuations in natural gas prices.

California's dependence on conventional energy sources contributes to poor air quality in many areas of the state. Air pollution contributes to asthma attacks, the worsening of respiratory diseases, and a slow-down in lung development for children living in highly polluted areas. SB 1078 (Sher) is vital to lessening California's dependence upon energy sources that dirty our air.

We appreciate your past commitment to promoting renewable energy and request your signature on SB 1078 to ensure increased utilization of non-polluting and sustainable renewable energy.

Sincerely,

A handwritten signature in cursive script that reads "Bonnie Holmes-Gen".

Bonnie Holmes-Gen  
Assistant V.P., Government Relations  
American Lung Association of California

Cc: Senator Sher

**When You Can't  
Breathe,  
Nothing Else  
Matters\***



**STATE OFFICE**

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**LEGISLATIVE OFFICE**

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September 4, 2002

The Honorable Gray Davis  
Governor of California  
State Capitol  
Sacramento, CA 95814

RE: SB 1078 SUPPORT

Governor Gray Davis,

California energy markets have undergone significant turmoil. With your leadership the state has prioritized conservation, efficiency, and increasing renewable power. As you know, CALPIRG has worked to move California toward a more sustainable energy future. The California Public Interest Research Group strongly supports SB 1078, Senator Sher's California Renewable Portfolio Standard bill. This bill creates a significant statewide shift toward renewable energy that will protect our environment, diversify our energy portfolio, boost our economy, and save consumers money. Your leadership and support has brought this bill to your desk, and now we respectfully ask for your support in making SB 1078 a law.

Environmental benefits

Doubling California's renewable energy use would avoid the need to burn enough fossil fuels to fuel over 15 new gas fired power plants by 2017. Currently, the California Energy Commission estimates the power plants that provide Californians with electricity power account for approximately 30% of the state's CO2 emissions; the Union of Concerned Scientists has estimated that adopting the California RPS would reduce carbon dioxide emissions by more than 23.7 million metric tons per year by 2010, the equivalent of taking 3.7 million cars off the road in that year, as well as reducing smog-forming nitrogen oxides.

Fuel diversity in California's energy portfolio

Currently, California depends on a single fuel source—natural gas—for over a third of its electricity supply, and over 95% of new electricity production under development in-state will also come from natural gas. As shown by CALPIRG's September 2001 report, Predictably Unpredictable, this over-dependence on natural gas as a power source is likely to lead to slowly rising power prices mixed with periodic price spikes, as nation-wide natural gas production slows and nation-wide demand grows at an estimated 2.3% per year through 2020, and as periodic supply disruptions occur (Dept of Energy 2001). By diversifying our energy portfolio with clean renewable resources like wind, solar and geothermal power, we provide a hedge against natural gas price increases and fluctuations; renewable fuel costs nothing and renewable power generation costs are predicted to decline or remain stable as technologies improve.

Numerous benefits to the state economy

By increasing renewable power generation in California, the RPS will also boost the economy by creating thousands of high-paying, non-polluting jobs—recent CALPIRG research has shown that renewable power manufacturing, installation and production generates four times more jobs per megawatt than fossil

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fuel-fired power and by attracting renewable energy investment dollars. Financial experts at investment research firm Clean Edge Inc. estimate that worldwide investment in clean energy technologies will grow from \$7 billion today to over \$82 billion by 2010. Finally, research has shown that more tax revenues will flow to the state from renewable power generation than from fossil fuel-fired power generation.

Lower electricity bills for California consumers

The RPS will most likely save consumers money on their electric bills, as the cheapest renewable energy replaces more expensive fossil fuel power. The effect of the RPS on consumers' electricity bills will vary depending on wholesale natural gas costs over the next decade. It is virtually certain that natural gas costs will be unstable and will spike periodically during that time; however, estimating an average cost of \$4 per million Btu over the next decade—the average cost for natural gas in California over the last two years—consumers will save \$918 million on their electricity bills in the next decade if the RPS is implemented. If natural gas prices fall to an average of \$3 per million Btu, the conservative estimate of the Energy Information Administration, the RPS will still save California consumers \$360 million by 2010. Additional money will also be saved on consumers' electric and gas bills as the reduction in demand for natural gas lowers gas prices.

SB 1078 includes an effective cost cap mechanism that ensures the retail sellers will not pay any more for a renewable energy contract than they would for a comparable gas-fired power contract, so there will be no significant cost increases to California consumers.

As an organization, CALPIRG has made passing a California Renewable Portfolio Standard a top priority for the past two legislative sessions, using a variety of educational and advocacy tools to build support for a 20% California renewables goal. Over the past two years, we have researched and released to the media four reports documenting the availability, stability and job-related benefits of renewable energy in California. We organized a successful Economists' Forum in Sacramento that gave some of the state's prominent academic energy and economics experts a chance to educate decision-makers on the economic benefits of renewable energy. We generated over 80 news stories about increasing renewable energy across the state. We have lobbied legislators tirelessly on the bill, and we also knocked on over a million doors educating the public about this issue through our citizen outreach offices.

We want to thank you for your support for this legislation. We look forward to working with you in the future.

Sincerely,

Dan Jacobson  
Legislative Advocate

Susannah Churchill  
Energy Advocate

# CONSUMER ATTORNEYS OF CALIFORNIA

Robert E. Cartwright Jr.  
President

Bruce M. Brusavich  
President-Elect

Donald C. Green  
Chief Legislative Advocate

Nancy Drabbie  
Senior Legislative Counsel

Nancy Peverini  
Legislative Counsel

Lee-Ann Tratten  
Legal Counsel

September 6, 2002

The Honorable Gray Davis  
Governor of California  
State Capitol  
Sacramento, CA 95814

RE: SB 1078 (Sher) SUPPORT

Dear Governor Gray Davis:

Consumer Attorneys of California, a member of the Alliance for Better Business, writes to ask your signature on SB 1078. A significant statewide shift towards renewables will protect our environment, diversify our energy portfolio, boost our economy, and save consumers money on their power bills.

SB 1078 will do the following:

- **Provide Environmental Benefits**  
Doubling California's renewable energy use would avoid the need to burn enough fossil fuels to fuel over 15 new gas fired power plants by 2017.
- **Create Fuel Diversity in California's Energy Portfolio**  
By diversifying our energy portfolio with clean renewable resources like wind, solar and geothermal power, we provide a hedge against natural gas price increases and fluctuations; renewable fuel costs nothing and renewable power generation costs are predicted to decline or remain stable as technologies improve.
- **Numerous benefits to the state economy**  
By increasing renewable power generation in California, the RPS will also boost the economy by creating thousands of high-paying, non-polluting jobs.

## Legislative Department

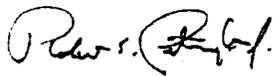
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info@caoc.org • <http://www.caoc.com>

- Lower electricity bills for California consumers  
The RPS will most likely save consumers money on their electric bills, as the cheapest renewable energy replaces more expensive fossil fuel power.

SB 1078 includes an effective cost cap mechanism that ensures the retail sellers will not pay any more for a renewable energy contract than they would for a comparable gas-fired power contract, so there will be no significant cost increases to California consumers.

For these reasons, Consumer Attorneys of California supports SB 1078.

Respectfully,



Robert Cartwright, Jr.  
President

cc: The Honorable Byron Sher  
Dan Jacobsen



READY FOR ACTION  
TAKING ON THE FUTURE

516  
P.O. Box 19638  
Sacramento, CA 95819  
(916)739-1540  
LR

September 5, 2002

The Honorable Gray Davis  
State Capitol  
Sacramento, Ca. 95814

RE: SB 1078- Sher

Dear Governor Davis:

Gray Panthers California is looking to you for a signature on SB 1078, which would require that electricity sellers derive 20% of their power from renewable sources such as wind and solar power. We join those in the environmental community, unions and even some energy companies in asking you to do so.

We have great potential in this state to set an example for the nation and even the world in wise energy policy that will restore our air and in the long run save us many dollars. This state has proven it can generate huge amounts by wind power, and new techniques are making solar energy cheap enough for practical use. The state can only benefit from such a Renewables Portfolio Standard.

We, Gray Panthers, are seriously concerned that without this measure we will waste precious years in taking steps now that will assure clean and affordable power to our state in the future. Please take the immediate step of signing it into law.

Sincerely,

Joan B. Lee  
Legislative Liaison



September 6, 2002

The Honorable Governor Gray Davis  
State of California  
State Capitol Building  
Sacramento, CA 95814

**RE: Support for Senate Bill 1078 (Sher)**

Dear Governor Davis:

On behalf of the Steven and Michele Kirsch Foundation, I am writing to urge your signature on Senate Bill 1078 (Sher). SB 1078 establishes a Renewable Portfolio Standard (RPS) for California, which would require that 20% of the electricity sold to California customers come from renewable resources by 2017.

Increasing the percentage of renewables in our energy mix is critical to reduce our over-reliance on polluting energy sources that degrade our air, harm our health, and make our state the second largest emitter of greenhouse gases in the country. An RPS will also provide much-needed energy diversity and energy and economic security by decreasing our vulnerability to fluctuations in natural gas prices.

With the electricity crisis and consequent fiscal crisis, California has endured the consequences of relying on conventional natural gas for nearly all electricity needs. Renewable energy is increasingly cost-effective, and in some cases, already cheaper than conventional energy sources. Securing more power from renewable resources will help stabilize prices and make California more energy self-reliant.

Renewable energy resources are a critical weapon in the fight against air pollution and climate change – issues that the Kirsch Foundation cares deeply about. Electricity generation from fossil fuels is second only to motor vehicles for the air pollution and global warming emissions that it produces. We are proud to join a diverse coalition of legislators, environmental and consumer groups, businesses, public health organizations, and labor groups in supporting this important legislation.

SB 1078 can ensure a sustainable energy future for us all by replacing fossil fuels with renewable energy sources. Again, the Kirsch Foundation respectfully urges your continued leadership on the issue of clean energy by signing SB 1078 (Sher).

Sincerely,



Susan E. Frank  
Director, Public Policy

cc: Senator Byron Sher



CHIP 5/6

NATURAL RESOURCES DEFENSE COUNCIL

September 12, 2002

Governor Gray Davis  
State Capitol  
Sacramento, CA 95834

RE: [REDACTED] and SB 1038 (Sher), Renewable Energy - SUPPORT

Dear Governor Davis:

The Natural Resources Defense Council, on behalf of its more than 100,000 California members, respectfully requests your signature on Senate Bills 1078 and 1038 by Senator Sher.

SB 1078 would require electricity retailers to steadily expand the amount of renewable energy that they provide to their customers until they reach a target of 20 percent of total electricity sales. This would double California's portfolio of energy derived from renewable sources, such as wind, solar, geothermal and biomass. It is the most ambitious renewable energy target in the United States.

SB 1038 is a companion bill that would continue investments in renewable energy and research and development, using funds already generated by the state's Public Benefits Charge, a small fee attached to all Californians' energy bills.

Continued support for and investment in renewable energy sources will help reduce our state's over-reliance on polluting energy sources that degrade our air and harm our health. Please sign SB 1078 and SB 1038. Thank you for your consideration of our views.

Sincerely,

Ann Notthoff  
California Advocacy Director

Sheryl Carter  
Senior Policy Analyst

cc: Senator Sher  
Senator Polanco

www.nrdc.org

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PAGE 01



Pacific Gas and  
Electric Company

019 516

Telephone: (916) 446-1000  
Facsimile: (916) 446-1001  
916 446 1100  
916 446 1015

September 10, 2002

The Honorable Gray Davis  
Governor, State of California  
State Capitol, First Floor  
Sacramento, CA 95814

**Re: SB 1078 (Sher) – Renewable Portfolio Standard – Request for Signature**

Dear Governor Davis:

Pacific Gas and Electric Company (PG&E) is in full Support of SB 1078 (Sher) relative to the Renewable Portfolio Standard (RPS). PG&E supports clean, environmentally sensitive sources of energy and continues to believe that a diversified portfolio is an important goal. As such, we have dedicated countless hours on this issue and would like to request your signature on this significant environmental measure.

Historically, renewables have been a big part of PG&E's development as is evidenced by our development of geothermal sources of power some 40 years ago, our development of small hydroelectric generation and the signing of renewable QF contracts. We are pleased to be able to support the final version of this measure.

SB 1078 provides for annual increases in the percentage of an investor owned utility's renewable energy portfolio, while at the same time ensuring that the above market costs for such power is appropriately funded. While we continue to believe that a renewable portfolio should be adopted by all retail distribution utilities, we recognize the important safeguards that were taken to provide protections of a level playing field amongst investor owned utilities and publicly owned utilities.

Thank you for your consideration of this matter and we look forward to SB 1078 becoming law in the State of California. If you have any questions regarding our Support position, please feel free to contact me.

Sincerely,

  
ROBERT HARRIS  
Vice President, Environmental Affairs

cc: The Honorable Byron Sher



SACRAMENTO MUNICIPAL UTILITY DISTRICT

P. O. Box 15830, Sacramento CA 95852 1830, (916) 732-6160  
AN ELECTRIC SYSTEM SERVING THE HEART OF CALIFORNIA

Chap 516

September 10, 2002  
GM02-236

Honorable Gray Davis  
Governor  
State of California  
State Capitol  
Sacramento, CA 95814

**RE: SB 1078 - Renewable Portfolio Standard (RPS) - Support**

Dear Governor Davis:

The Sacramento Municipal Utility District supports SB 1078 (Sher). We believe the bill addresses our concerns of providing municipal utilities the appropriate flexibility necessary to accomplishing a responsible Renewable Portfolio Standard.

Our resource plan would increase non-hydro renewable resources to 20% of retail load by 2011. Investment in renewable energy will provide our customers with substantial long-term energy, environmental and community benefits.

For these reasons, SMUD respectfully requests your approval of SB 1078. Should you have any questions, I am available at your convenience.

Sincerely,

JAN SCHORI  
GENERAL MANAGER

cc: Honorable Byron Sher

Jan Schori, General Manager  
DISTRICT HEADQUARTERS 6201 S Street, Sacramento CA 95817-1899



**BOARD OF SUPERVISORS**

**Thomas W. Mayfield**  
District Two

1010 Tenth Street, Suite 6500, Modesto, CA 95714  
Phone: 209 526 6440 Fax: 209 526 4410

September 12, 2002

Governor Gray Davis  
State Capitol  
Sacramento, CA 95814

**SUBJECT: SB 1078 (SHER) REQUEST FOR SIGNATURE**

Dear Governor:

On behalf of the Stanislaus County Board of Supervisors, we respectfully request your signature on SB 1078 (Sher). This bill deals with the increased procurement of electricity from renewable energy sources. Stanislaus County is in favor of this bill because it specifically includes our Waste to Energy plant, a joint venture between Stanislaus County and the City of Modesto, as a renewable.

Your favorable consideration of SB 1078 (Sher) is therefore respectfully sought.

Sincerely,

Thomas W. Mayfield  
Chairman

cc: Senator Byron Sher

## **6.iii. Support Letters – Individuals**



*Buck Electric, Inc.*  
*Conventional & Solar Electrical Contractor*  
P.O. Box 664 Poway, CA 92074  
Ph: 858.748.8061 Fax: 858.486.4611  
e-mail: buckelectric@cox.net  
State license 614342 B, C-10 & HIC



Governor Gray Davis  
Capital Building  
Sacramento, CA 95814

September 3, 2002

Dear Governor Davis,

I am writing to urge you to sign into law SB 1038 and **SB 1078**. SB 1038 authorizes the California Energy Commission Emerging Renewables Buydown Rebate Program; this is also referred to as the "Renewable Investment Plan". SB 1038 is linked to SB 1078 (The Renewables Portfolio Standard) and will only go into effect if both bills are signed.

The Renewable Investment Plan funds have already been collected from utility surcharges, but they cannot be disbursed until SB 1038 is passed. The money from last year is about to run out. Without this Buydown rebate, we will lose the most critical incentive for Californians to purchase and install renewable power systems.

The Renewable Investment Plan places no burden on taxpayers or the State budget. It contributes by promoting solar related jobs and attracting new manufacturing. It reduces operating costs for state facilities which have installed solar electric generation, such as the California Franchise Tax Board. The Renewable Investment Plan has been very effective in encouraging people to install renewable energy systems. Those who have taken advantage of this rebate are now generating clean electricity and sending it onto the grid, reducing the amount of electricity the state has to buy during the afternoon peak demand periods.

Renewable energy improves the quality of the air we breathe, builds energy independence, and adds clean electricity to the power grid. California should be doing everything possible to support renewable energy.

Please sign SB 1038 and SB 1078 into law as soon as possible.

Thank you for your support of California's energy future.

Sincerely,

Victoria Gowey  
President, Buck Electric, Inc