



The current of the Valley

Connections

Summarizing Regional Energy Issues and News

March-April 2006

◆ Volume 4, No. 2

Energy Watch

Legislative Updates

Assembly Speaker Fabian Núñez (D-Los Angeles) and Assembly member Fran Pavley (D-Agoura Hills) announced the details of a bill that would limit the amount of carbon dioxide and other greenhouse-gas emissions polluters could produce.

The measure, AB 32, would require that greenhouse-gas emissions statewide be cut by 145 tons by 2020, to match the amount the state produced in 1990. The limits set by AB 32 would codify greenhouse gas emission-reduction targets the governor described in an executive order he signed last June.

Senate Bills

SB 1368 is proposed by Senate President Pro Tem Don Perata (D-Oakland), where utilities and other load-serving entities would be prohibited from signing long-term contracts for baseload generation unless the contracts complied with performance standards set by the California Energy Commission for greenhouse-gas emissions. The bill would authorize the California Public Utilities Commission to set rules to enforce the requirements.

SB 1505 by Alan Lowenthal (D-Long Beach) would adopt a plan called the "Hydrogen Highway Network Blueprint" that would require lower emissions of greenhouse gases, nitrogen oxides and reactive gases from new hydrogen-fueled

San Joaquin Valley Community Choice Program Introduces Logo to the Public

With a regional Community Choice Program drawing closer to becoming a reality, the 12 cities and county partnering with KRC D to implement this innovative program have developed a look and logo to increase the public's awareness of the program and its' benefits to the region.

The logo, which will be used in outreach efforts to the public including a soon-to-be launched website, was initially introduced in a media campaign conducted by KRC D in April.

For the last three years, Kings County and the cities of Clovis, Corcoran, Dinuba, Fresno, Hanford, Kerman, Kingsburg, Lemoore, Parlier, Reedley, Sanger and Selma have been working with KRC D to develop a regional Community Choice Aggregation



Program that will increase energy reliability by building a local power plant; provide competitive energy costs; and provide local input and planning for our region's energy future.

A business plan for the program is currently being drafted to be presented to the governing boards for the cities, county and KRC D for review before submission to the California Public Utilities Commission later this summer.

City of San Francisco Announces New Funding For Community Choice Aggregation

San Francisco Mayor Newsom today proposed \$5 million in funding for San Francisco's Community Choice Aggregation (CCA) program in this year's SF Public Utilities Commission (SFPUC) budget.

San Francisco's CCA is the largest municipal alternative energy program proposed in the US to date. It allows local government to procure electric power from sources such as solar and wind power and then sell that power to local residents and businesses. The \$5 million in funding will

allow the City to move forward assessing this landmark environmental program.

CCA offers several potential benefits to local consumers and the environment. First, CCA would provide San Franciscans greater consumer choice by allowing each electricity customer to choose between purchasing City-generated electricity -" generated primarily through environmentally friendly sources - or privately-generated electricity. CCA would also allow the city to procure expand energy efficiency and conservation programs for local consumers.

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San Francisco CCA Funding, *continued*

The SFPUC, together with Mayor Newsom, Supervisor Tom Ammiano and Supervisor Ross Mirkarimi, is crafting an implementation plan for the CCA program. That plan will go before the Board of Supervisors in the coming weeks, and after additional analysis, a final plan will be submitted to the California PUC for formal approval.

The \$5 million allocation that the Mayor announced will allow the City to complete critical pre-implementation steps for the CCA program: A Request for Information and then a Request for Proposals that the City will issue to international energy companies. The City will then receive and evaluate proposals from these companies.

The City's advance toward CCA began with a Board of Supervisors-approved ordinance in May 2004 establishing support for a CCA program.

Supervisor Tom Ammiano, one of the early proponents of CCA, stated, "With this investment in start-up funds, San Francisco puts money on the table to answer the voter mandate for solar power. The Community Choice program is an ambitious effort to achieve no less than energy independence and renewable energy for the entire community, and has required the prolonged, dedicated efforts of experts, advocates, Supervisors and the Mayor's office. I look forward to voting on our Community Choice Implementation Plan in coming months, and negotiations with competitive energy service providers later in the year."

KRCD Power Connections

March- April 2006

Published bimonthly by KRCD's public affairs staff
with special assistance from Navigant Consulting Inc.

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Energy Watch

vehicles than the average gasoline-fueled vehicle.

SB 1572 by Senator Kevin Murray (D-Los Angeles), would establish policies for the California Energy Commission (CEC) to certify solar-energy systems and set building standards for solar-power installation. A second, placeholder bill, SB 1700, would allow the Legislature to make changes to the California Solar Initiative.

SB 1675: This bill by Senator Kehoe would require all diesel fuel sold in California to contain at least 2 percent biodiesel fuel starting January 1, 2008, and at least 5 percent biodiesel starting in January 2010.

SB 1833, also by Kehoe would have eliminated a formula used to calculate prices for power California utilities pay to generators that are qualifying facilities (QF) under the federal Public Utility Regulatory Policies Act. Currently, the price for QF power-much of which comes from cogenerators that run partially on natural gas-is tied to the border price of natural gas under Section 390 of the Public Utilities Code.

Kehoe's bill would have repealed Section 390. The Senate Energy, Utilities and Communications Committee agreed to pass the bill if Kehoe would revise it to stipulate that the Legislature intends to repeal Section 390 when it knows what the CPUC plans to replace it with, and approves of the new method.

Assembly Bills

AB 2207: This bill, by Assembly member Sam Blakeslee, would require the CEC to issue renewable-energy credits for all renewable generation eligible to count toward the Renewable Portfolio Standard (RPS). Blakeslee's other bill, AB 2189, would make additional electricity generated by small hydro facilities that have undergone upgrades count toward RPS obligations.

AB 2723 by Assembly member Fran Pavley (D-Agoura Hills), would create a

revolving loan program to help low-income and nonprofit utility customers pay for installation of solar-power systems.

AB 2756 by Assembly Utilities and Commerce Committee Chair Lloyd Levine (D-Van Nuys), would authorize the issuance of "clean renewable energy bonds" to help pay for new renewable generation.

AB 2874 by Assembly member John Benoit (R-Riverside) would encourage water and wastewater agencies to develop renewable energy resources to help energy providers meet the RPS.

AB 2993 by Assembly member Mark Leno (D-San Francisco), this bill would expand Pacific Gas & Electric's (PG&E) net-metering program to raise the cap for customer-generated renewable electricity to 200 Megawatts. Current law limits the amount of power customers can be paid to put distributed generation on the grid to one-half of one percent of the electric service provider's aggregate customer peak demand.

Two New FERC Commissioners Nominated

President Bush has announced his intention to nominate two people to the Federal Energy Regulatory Commission (FERC): Philip D. Moeller, executive director of Alliant Energy Corp.'s office in Washington, D.C., and Nevada attorney Jon Wellinghoff.

Moeller is a former director of federal relations at Calpine Corp, and was senior legislative assistant for electricity policy for Senator Slade Gorton (R-Washington). The president is nominating him for the remainder of a five-year term expiring in June 2010.

Wellinghoff is currently a partner at the law firm of Beckley Singleton in Las Vegas, where he specializes in energy and consumer law. He is a former staff attorney for the Federal Trade Commission and former staff counsel to the Nevada Public Utilities Commission. President Bush will nominate him for the remainder of a five-year term expiring in June 2008.