June 27, 2012

Honorable Paul Fong
California State Assembly
State Capitol, Room 5135
Sacramento, CA 95814

RE: AB 1990 (Fong) - Oppose

Dear Assemblymember Fong:

DRA (Division of Ratepayer Advocates) is the independent consumer advocate within the California Public Utilities Commission (CPUC). DRA’s statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. DRA also advocates for customer and environmental protections in connection with utility service.

DRA respectfully opposes your AB 1990, as amended on June 26, 2012. The bill would require the CPUC to direct investor-owned utilities to procure 375 megawatts of electrical generating capacity from small distributed generation projects in disadvantaged communities, as specified.

DRA recognizes your laudable goal to create new jobs in disadvantaged communities while also advancing the State’s renewable energy efforts. While well-intentioned, we are concerned that the economic benefits are not going to reach those most in need. The bill may have the unintended consequence of primarily benefitting property owners, distributed generation developers, and specialized installers, with little certainty that the economic benefits actually flow back to the communities.

If you have any questions or would like to discuss this matter further, please call DRA’s Legislative Advisor Rebecca Lee, at (916) 327-1407 or me at (415) 703-2381.

Respectfully,

Joseph P. Como, Acting Director
Division of Ratepayer Advocates

By
Rebecca Lee
Legislative Advisor