June 27, 2012

Honorable Wesley Chesbro

California State Assembly
State Capitol, Room 2141
Sacramento, CA 95814

RE: AB 2390 (Chesbro) – Oppose

Dear Assembly Chesbro:

DRA (Division of Ratepayer Advocates) is the independent consumer advocate at 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 2390, as amended on June 26, 2012, which would direct $20 million of annual ratepayer funding via the Electric Program Investment Charge (EPIC) toward biomass incentive payments. DRA supports maintaining the use of EPIC funding toward research, development, and demonstration of emerging technologies to further California’s clean energy goals. Not only are emerging bioenergy technologies already eligible to participate in all aspects of the EPIC program, such technologies will receive at least $9 million annually, subject to future adjustments, within the technology demonstration category.

While DRA recognizes and appreciates the laudable goals of forest fire reduction and waste management, DRA believes that existing biomass facilities should compete in the State’s Renewable Portfolio Standard (RPS) programs. Commercially mature biomass facilities are currently eligible to participate in the Renewable Auction Mechanism and the recently revised Feed-in-Tariff program, within a category dedicated toward baseload technologies such as biomass, separate from solar and wind technologies. In light of these existing opportunities, DRA respectfully opposes your AB 2390.

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