





Via E-Mail at <u>DOCKET@energy.state.ca.us</u>

May 21, 2007

Docket Unit California Energy Commission Docket No. 06-OIR-1 1516 Ninth Street, MS 4 Sacramento, California 95814-5512

Re: Docket No. 06-OIR-1 - Proposed Adoption of 15-day Language

Dear Commissioners,

The Natural Resources Defense Council (NRDC) and Union of Concerned Scientists (UCS) appreciate this opportunity to provide our strong support of the California Energy Commission's (Commission or CEC) "Revisions to Proposed Regulations Establishing and Implementing a Greenhouse Gases Emission Performance Standard for Local Publicly Owned Electric Utilities" (15-day language, or proposed regulations). We commend the Commission staff, the Electricity Committee, and all the stakeholders for working diligently together over the past several months to develop these proposed regulations. We believe that the revisions to the proposed regulations provide useful clarifications to the 45-day language.

NRDC is a non-profit membership organization, with more than 124,000 Californian members, with a long-standing interest in minimizing the societal costs and environmental impact of the reliable, affordable energy services that a healthy California economy needs. UCS is a leading science-based non-profit working for a healthy environment and a safer world. Its Clean Energy Program examines the benefits and costs of the country's energy use and promotes energy solutions that are sustainable both environmentally and economically.

The Emission Performance Standard (EPS) is essential regulation that will protect Californians from the significant financial and reliability risks associated with additional investments in highly GHG-intensive generating technologies and help meet California's GHG reduction goals. While AB 32 will not be enforced until 2012, the adoption of these SB 1368 implementing regulations will ensure that California's global warming leadership will be felt immediately and that the standard will be applied statewide in a consistent manner. Adoption of the proposed regulations at the Commission's May 23 business meeting will ensure the timely enforcement of the standard by June 30, 2007, as required by SB 1368.

We support the changes that have been made in the 15-day language from the previous 45-day language, which serve to clarify the proposed regulations. We believe that no additional changes are necessary. The proposed regulations are consistent with SB 1368 and are consistent with the rules adopted by the California Public Utilities Commission, as directed by the law. By ensuring that utilities make long-term commitments to clean energy sources, the Commission is protecting our economy and environment from the effects of global warming. The proposed regulations will shield customers of California's publicly-owned utilities from hundreds of millions of dollars in extra costs due to regulation of global warming pollution.

NRDC and UCS strongly support the proposed regulations, and we urge your prompt adoption at the Commission's upcoming business meeting on May 23, 2007.

Sincerely,

Audrey Chang

Natural Resources Defense Council

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Also on behalf of:

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