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California State Senate

SENATOR
TOM BERRYHILL
FOURTEENTH SENATE DISTRICT

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April 21, 2011

Mr. Robert B. Weisenmiller, Ph.D
Chairman
California Energy Commission
Emerging Renewables Program
1516 Ninth Street, MS-45
Sacramento, CA 95814

Dear Chairman Weisenmiller:

We are writing to express our concern with the California Energy Commission's temporary suspension of the Emerging Renewables Program (ERP) which is funded by ratepayers and provides rebates and production incentives to those who purchase and install renewable energy technologies.

With unemployment rates in our Districts approaching depression-era levels, it is critical that we in government do all we can to catalyze new industries and job opportunities. The Commission's decision to suspend the ERP without significant notification threatens to undermine the hiring and capital deployment decisions of the program participants at the very moment when the ERP seems to be gaining real momentum. We strongly encourage the Commission to conduct its review of the ERP guidelines in an expeditious manner so as to minimize the financial burden of the suspension on ERP participants.

According to the Renewable Energy Program 2010 Annual Report to the Legislature, there has been a steady decline in ERP rebate applications since 2006. In the 2009-10 fiscal year there were only 53 reservation requests for wind systems. The introduction of small wind technologies has recently catalyzed new life into the program as demonstrated by the resultant dramatic increase in the number of program applications the Commission has received.

The Commission's Suspension Release Notice specifies that it will continue to process all rebate reservation applications postmarked through March 4, 2011. Yet, evidence suggests that applications are no longer being approved at the present time. This is concerning for those applicants and participant companies who are awaiting a decision. We respectfully request that the Commission commit to continuing to process the pre-suspension applications and deliver reservations in a timely manner so as not to unduly strand capital investment and hiring decisions at participant companies.

As it relates to the Commission's review of the ERP Guidelines, it is our strong desire that small wind continue to remain a viable new technology within the program. Particularly because funding for the program is provided by individual ratepayers, we fully support using program dollars to help develop, nurture, and promote small-scale technologies that can provide immediate and direct benefit back to the ratepayers who helped to fund them. So, we are interested in your perception of what the program deficiencies are and whether changes to the system would place installation of small wind systems out of the reach of the average consumer.

Moreover, with much debate in California over the merit of the RPS mandates, we believe widespread acceptance of an alternative energy future is more likely to occur when consumers are closer to the end-technology. Many of our constituents could not afford to implement green energy technologies if it were not for the financial assistance provided by the ERP. We strongly encourage the Commission listen to these customers and participant companies who serve these customers when considering any revisions to the reimbursement program that exists today under the current ERP guidelines.

Finally, as you re-evaluate the potential for small wind projects, we ask that you remain mindful that investment today in emerging technologies often bears greater fruit in successive product generations. Already new small wind technologies produce electricity at much lower wind speeds than previous available products, making many geographic regions feasible for wind system installations that previously were not. We are hopeful that the full potential of small wind is realized through ongoing investment in this emerging technology.

Thank you in advance for your attention in this matter. We appreciate your diligence in reviewing our comments as you seek to revise this valuable program.

Sincerely,

Tom Berryhill
Senator, 14 District of California

Anthony Cannella
Senator, 12th District of California

Cathleen Galgiani
Assemblymember, 17th District of California

Kristin Olsen
Assemblymember, 25th District of California