

Comment on the draft 2011 IEPR Committee Scoping Order

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To quote from the CEC request for comments:

“Public Resources Code requires the Energy Commission to prepare and adopt an Integrated Energy Policy Report every two years beginning in 2003, with an update in the intervening years, to assess all aspects of energy supply, demand, production, transportation, delivery, distribution, and price. The objective of the report is to evaluate market trends and develop energy policies that will “conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety.” (Public Resources Code § 25301[a])”

I don't think that the Commission is paying proper attention to the phrase “Ensure energy reliability”. Granted that the legislature abandoned this phrase when they formulated AB 32 but I believe that the CEC being more knowledgeable than the legislature cannot afford to ignore it.

This presentation is an appeal to the CEC to completely revise its energy policy recommendations based on the real electrical energy situation in California.

The state legislature is responsible for energy policy. The CEC makes energy policy recommendations to the legislature. The legislature does not have the talent to make good energy policy as is demonstrated by the series of bad laws it has created dealing with energy. Unfortunately the CEC which should have the talent to formulate good recommendations to the legislature spends its time and effort in supporting the bad laws formulated by an inept legislature.

The CEC should completely revise its operations to promulgate good energy policy instead of supporting bad energy policy. The CEC should always keep in mind the most important words in its charter: reliability and cost.

I am a private citizen and an engineer. There is no way that I can benefit financially from my position on energy policy. As a taxpayer and rate payer I worry about the effect on taxes and rates as they are affected by bad legislative energy decisions.

What is good energy policy? It must be determined in response to the energy problems of the state. The two principal problems are lack of in-state electrical generating capacity and finding the best replacement for fossil energy used to generate electricity while meeting the reduced greenhouse gas production mandated by the state government.

The CA state government for years has had a policy of discouraging new electrical generating plants in the state. As a result the state does not have sufficient electrical generating capacity to meet the needs of its citizens and industry. It is forced to import electricity from outside the state. Much of this is hydro power from the Northwest. Hydro is cheap but not reliable. Water shortages in the Northwest were at the base of the electrical energy debacle in CA several years ago. Unavailable hydro electricity had to be replaced by reliable imported energy at high cost which made the debacle worse. The state requirement that IOU's divest their generating capacity added gasoline to the fire. The laws blocking nuclear power did not help. Much of the problem is the mistaken perception by the state government that the cost of new generators must be met by other than the users. It is an immutable law that in the end the users always bear this cost regardless of the laws passed to try to prevent it.

The CEC spends time and effort on programs designed to get the public to reduce electricity use. This is part of the scheme to reduce new generation capacity in the state. The CEC brags about the success of the programs. I recently received a rebate of \$200 for buying a new refrigerator. This whole program is irrational and a waste of taxpayer money both from the funds used by the CEC to promote it and the rebate program. As a scheme to reduce greenhouse gas production very little is accomplished. As a scheme to reduce new in-state generation capacity it is a mistake.

The CA legislature created AB32 in an attempt to reduce the amount of greenhouse gas produced in the state on the doubtful supposition that this gas is the principal cause of global warming. Their decision was influenced by various groups that are convinced that human activity is responsible for global warming and by groups that can profit by selling solar and wind generated electricity. Not only is global warming subject to scientific scrutiny, but it is also debatable that it is caused by human produced CO₂. Never the less it may be wise to limit human produced CO₂. How should this be done? How much reduction should there be?

AB32 and a governor made statute mandate that 33% of the electricity sold by Investor owned utilities be generated by state defined "renewable" energy sources mainly wind and solar. Unfortunately wind and solar energy are expensive and not reliable. They are not capable of generating commercial 24/7 electricity. They must always be backed up by generating plants using reliable energy sources. Using 33% solar and wind will be an expensive disaster. This is recognized by the CEC and PUC because they are allowing additional fossil plants to be built right now in CA to meet the ever increasing demand for reliable electricity.

The nameplate ratings of wind and solar generators are a sham. The total daily output of these plants is in the range of 20 to 25 % of their nameplate rating. The CEC policy recommendation to develop storage systems to back up solar and wind energy is wrong. There is simply no inexpensive way to generate and store the amount of energy required to back up these unreliable sources in order to maintain the grid of the commercial electric system. The additional capacity required for storage based on 25% of nameplate rating will be astronomical.

It is imperative that the CEC completely revise its electrical power recommendations. It must deal with the shortage of in-state electrical generation. Instead of recommending a policy of discouraging new generating plants it must not only accurately forecast how much reliable generation is needed but then must promote policy to construct the required additional generators in time. It must tell the PUC that rates supporting new reliable plants are required.

The CEC must change its policy recommendation of promoting unreliable energy sources to replace fossil energy and shift to promoting the only energy source that can generate reliable commercial 24/7 electrify with no production of greenhouse gas which is nuclear energy. Roadblocks against nuclear must be removed. AB 32 must be revised to reflect the policy change.

If the CEC has any sympathy for rate payers and taxpayers the next CEC Energy Policy statement should advise the Legislature that if they are serious about a meaningful reduction in GHG without breaking the bank they must remove the roadblocks to nuclear energy. AB32 must be modified to include nuclear energy.

The CEC should conduct workshops that will show the benefits of nuclear energy rather than conducting workshops which urge the legislature to continue its attacks on nuclear energy. This is where the Sierra Club is 50 years behind the times not the nuclear energy business. A careful study of all the old arguments against nuclear will show that they are specious.

Spent nuclear fuel must be recognized as a valuable resource rather than waste to be discarded. The events in Japan will give anti-nuclear groups new arguments to stop nuclear but as with the old arguments they are conjuring up problems that can be solved with good engineering. A viable source of energy is being falsely maligned by a vociferous few. The CEC should not be in that group. I realize this is anathema to the CEC but the time has come to formulate a better energy policy. Please join the rest of the world in accepting and promoting nuclear energy as a viable energy source that produces no greenhouse gas.

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