

State lawmakers promote clean energy standards

Bills -- the measures include requiring utilities to use more green power.

Don Thompson, Associated Press, 2-3-11

SACRAMENTO - The California Legislature's Democratic leaders on Wednesday unveiled a package of proposed laws they said will position the state as the national leader in developing clean energy alternatives and green jobs, promising quick passage to help spur the state's lagging economy.

The package includes a bill requiring utilities to get one-third of their power from alternative energy sources like wind, solar and geothermal by 2020.

The state already gets 18 percent of its energy from renewable sources and is on track to reach 21 percent by year's end, said state Sen. Joe Simitian, D-Palo Alto, citing California Public Utilities Commission estimates.

The state's air pollution regulators set the 33 percent requirement in September, but a bill that would make the higher standard California law failed at the end of last year's legislative session. Former Gov. Arnold Schwarzenegger, a Republican, vetoed previous attempts to make the goal state law in 2009.

Simitian, who is carrying the new version, SB2x, said it is important to include the standard in law to end the ambiguity and let investors know the state is serious about switching to renewable fuels.

A landmark 2006 California law already requires the state to reduce greenhouse gas emissions to 1990 levels by 2020. Voters in November defeated Proposition 23, which would have suspended the reduction goals until California's unemployment rate, now 12.5 percent, drops to 5.5 percent and holds there for a year. That has occurred just three times in three decades.

Thomas Steyer, a hedge fund manager who helped finance the campaign against Proposition 23, said seven of the nation's top 10 clean technology companies are in California, as is 60 percent of the venture capital - five times the amount invested in any other state.

"Everyone is going to be watching us," said Steyer, founder of the investment firm Farallon Capital Management LLC.

"We're going to be the test case, and in fact the kinds of policies these legislators are trying to pass are critical for us to be able to get the private sector going, to create the businesses, to create the jobs and to show the country and the world that this can be done."

Another measure in the package would speed up permits for renewable energy projects, while a third would use a portion of utility ratepayer funds to guarantee loans for residents and small business owners to make energy efficiency and renewable energy improvements.

The fourth bill would use \$8million annually in electricity surcharges for grants to schools to establish 90 "green partnership academies" statewide that would train students for clean technology jobs.

Senate President Pro Tem Darrell Steinberg, D-Sacramento, who is carrying SB1x, the academy bill, said the package is California's effort to meet President Barack Obama's proposal last week to get 80 percent of the

nation's electricity from clean energy sources by 2035.

He and Assembly Speaker John Perez, D-Los Angeles, said they hope to use their Democratic majorities to quickly send the bills to new Democratic Gov. Jerry Brown, though both said the first priority is to pass a budget. The state faces a deficit estimated at \$25.4 billion through June 2012.

Brown spokesman Evan Westrup said in an e-mail that the bills are consistent with the governor's clean energy and jobs goals.

Westrup said the governor will pursue those goals "after the state's fiscal house is in order."