



Our mission

Deliver rapid greenhouse gas reductions at scale, starting in California.

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Contact

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March 31, 2022

The Honorable Eduardo Garcia
Chair, Assembly Utilities and Energy Committee
1021 O St., Suite 8120
Sacramento, CA 95814

RE: AB 2667 (Friedman) – SUPPORT

Dear Chair Garcia:

On behalf of The Climate Center and its thousands of statewide supporters, I write to express our support for AB 2667, which would create an Integrated Distributed Energy Resources incentive program at the California Energy Commission to support statewide customer adoption of clean distributed energy resources.

The Climate Center is a California nonprofit 501(c)(3) organization founded in 2001 with a mission to deliver rapid greenhouse gas (GHG) reductions at scale, starting in California.

Threats to the electricity grid are increasing in frequency, severity and impact, making it a policy imperative for the state to invest in clean, local energy resilience. Power outages have cost the California economy billions, and in response, homeowners, businesses, and utilities have reflexively invested in fossil fuel generators. On top of worsening the climate crisis, the increased use of these generators presents a fire risk and results in the emission of harmful criteria air pollutants, threatening the health of all those living nearby.

Distributed clean energy is a better way to provide local energy resilience. Distributed energy resources are an essential element of California's clean energy solution. Siting clean energy resources where energy is used adds substantial value to the grid, as well as providing increased resilience for end users and their communities. This bill would foster greater adoption of these important resources, which has the benefit of improving air quality, decreasing greenhouse gas emissions, and reducing demand for fossil fuel generators.

As the incentive program is being crafted, the program should prioritize an incentive structure which is performance based (e.g. \$/kWh locally generated/avoided during evening peak hour) as opposed to a capacity-based hardware payment (\$/Watt) With appropriate incentives, it should be possible to meet daily evening

peak load using clean, distributed energy resources rather than continuing to use fossil fuel peaker plants.

In addition, because disadvantaged communities already suffer most from air pollution and because power outages can disproportionately impact low-income households, the amount of incentive provided should be higher for disadvantaged communities so that new, clean distributed energy resources are built in these communities first.

Achieving California's climate and energy goals will require substantially more investment in all clean energy resources. Increased deployment and integration of distributed clean energy resources will be a cornerstone of our clean energy future. This bill would provide crucial support for these efforts. Therefore, we support AB 2667 (Friedman) and urge your support as well.

Sincerely,

A handwritten signature in black ink, appearing to read 'EMC', with a long horizontal flourish extending to the right.

Ellie M. Cohen
Chief Executive Officer
The Climate Center

CC: Assemblymember Laura Friedman
Members, Assembly Utilities and Energy Committee