



Subject: AB 512 (Gordon)
Local Govt Renewable Energy Generation

RULES COMMITTEE: 6-01-11
ITEM: D.1.c

Recommend Position: Support

City Council Expedited Action Request			
Department: ESD	CEQA: N/A	Coordination: City Mgr/City Atty/Legis. Rep in Sacramento	CMO Approval:
			Dept. Approval: /s/ John Stufflebean
RECOMMENDED ACTION:			
<ol style="list-style-type: none"> 1. Pursuant to the City's streamlined bill process for responding quickly to legislative proposals, approve support for AB 512 (Gordon) 2. Recommend a one-week turnaround to the City Council so that the Council can re-affirm the City's support for AB512. 			
BILL SYNOPSIS:			
<p>Increases the production capacity of eligible renewable generating facilities to 5 MW, up from the currently allowable maximum of 1 MW established previously by City sponsored legislation, AB 2466 (Laird) (Chapter 540/2008 statutes). The bill would improve the potential economics of solar projects, as larger solar installations will benefit from economies of scale in their construction. Reducing solar project costs will reduce the costs of the electricity produced and increase the value of the energy credits that can be transferred to other utility accounts.</p>			
IMPACTS TO CITY OF SAN JOSÉ:			
<p>This bill would provide San José with the ability to implement larger projects on facilities with low energy demand and large amounts of land / roof space. Several locations, including the joint Santa Clara / San José Water Pollution Control Plant and the Story Road Landfill brownfield site, are large enough to support oversized renewable generation installations and supply multiple megawatts of power, depending upon the technology chosen.</p> <p>This bill would provide the City with the opportunity to concentrate its efforts to develop renewable energy sources in the most favorable locations, and potentially avoid the additional costs that arise when developing small sites (e.g. libraries, fire stations, and community centers) with limited available space and capacity.</p> <p>The projects enabled by this bill will be key elements in helping the City achieve its Green Vision goal of 100% clean renewable electricity.</p>			

POLICY ALIGNMENT:

Included in the Council approved 2011 Legislative Guiding Principles and Priorities under Principle F (Promote Livability, Sustainable Development, and Environmental Protection) is language supporting state and federal incentives that foster energy innovation, including clean renewable energy.

F. Promote Livability, Sustainable Development, and Environmental Protection

The City supports legislation and policies that emphasize sustainable development; improve environmental standards and the regulatory process; provide incentives and financial measures for preservation of natural resources; promote sustainable energy policies; and are consistent with the Green Vision:

[1] Advances initiatives and secures funding to address climate change, and supports San Jose's Green Vision efforts to become a Sustainable City, through Green Building initiatives, pollution prevention practices, water, waste and energy efficiency, and regional, state and global initiatives.

[17] Supports state and federal incentives that foster energy innovations including energy efficiency, smart grid, clean renewable energy, energy conversion and storage technological development.

Included under Principle H (Promote Investment in Infrastructure Maintenance and Rehabilitation) is language promoting increased local control of utility infrastructure.

H. Promote Investment in Infrastructure Maintenance and Rehabilitation

The City supports legislation and policies that promote investing in the rehabilitation of aging utility infrastructure and system capacity expansion to support smart growth principles:

[1] Promote legislation and policies that increase local control of utility infrastructure.

SUPPORTERS/OPPONENTS:

Support: Sonoma County Board of Supervisors
City of Santa Rosa
City of Fresno
California State Association of Counties

Regional Council of Rural Counties
California Public Utilities Commission
Nanosolar

Opposed: None received

STATUS OF BILL:

May 12: Passed the Assembly.

May 12: Senate first reading. Forwarded to Senate Committee on Rules for assignment.

FOR QUESTIONS, CONTACT: Mary Tucker – 408-975-2581

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SUPPORTERS/OPPONENTS:

Support: Coalition of California Utility Employees (CUE) (Sponsor)

Opposed: Marin Energy Authority
Sierra Club California

STATUS OF BILL:

May 18: Passed Assembly Appropriations Committee.

May 19: Read second time. Ordered to third reading.

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