



State of California

LITTLE HOOVER COMMISSION

Pedro Nava
Chairman

April 4, 2014

Loren Kaye
Vice Chairman

The Honorable Beth Gaines
Member, California State Assembly
State Capitol, Room 2130
Sacramento, CA 95814

Katcho Achadjian
Assemblymember

Anthony Cannella
Senator

Jack Flanigan

Don Perata

Anthony Rendon
Assemblymember

Richard Roth
Senator

David A. Schwarz

Jonathan Shapiro

Sumi Sousa

Carole D'Elia
Executive Director

RE: SUPPORT FOR ASSEMBLY BILL 1779

Dear Assemblymember Gaines:

The Little Hoover Commission supports Assembly Bill 1779, the measure you have authored that would require the State Energy Resources Conservation and Development Commission to prepare a report that assesses the effect in the aggregate of specified state policies on electricity reliability and rates, and whether these policies are achieving the stated environmental and economic goals.

In its 2012 report, *Rewiring California: Integrating Agendas for Energy Reform*, the Commission found that there is a lack of clarity regarding the aggregated cost of implementing California's consolidated energy and environmental policy goals. The Commission found that energy and environmental goals have been enacted in a piecemeal fashion over time and not as part of a cohesive strategy. Due to this lack of coordination, the Commission found that California may fall well short of its goals, or unnecessarily increase costs and put system reliability at risk.

The Commission recommended an assessment of how much in the aggregate recent major policies related to energy will affect electricity reliability and rates, and whether these policies are achieving California's stated environmental and economic goals. The Commission further recommended this assessment to identify and quantify trade-offs involved when aspects of one goal conflict with another.

Assembly Bill 1779 would implement the Commission's recommendations and as a result, the Commission supports this measure.

As the bill moves through the legislative process, I will be writing letters on behalf of the Commission to legislators urging aye votes. If you have any questions, or if I can be of any further assistance, please do not hesitate to contact me.

Sincerely,

Carole D'Elia
Executive Director

c: Commissioners, Little Hoover Commission