

September 4, 2015

Assembly Member Phil Ting
State Capitol
Sacramento, CA 95814

RE: Assembly Bill 1110 (Ting): Emissions Reporting OPPOSE UNLESS AMENDED

Dear Assembly Member Ting:

The City of Arcata supports the standardization of consumer greenhouse gas reporting in AB 1110, but recent clarifications that the bill is intended to block the use of out-of-state bundled wind energy in voluntary green power programs is a serious problem because it will hinder voluntary renewable energy programs. Arcata supports the phase-out of unbundled renewable energy credits, but we cannot support the prohibition on the use of delivered Category 2 renewable energy for voluntary green power programs.

There are a number of other issues that should be addressed before this bill moves forward such as; equating category 2 bundled renewable energy with renewable energy credits (RECs) described later in this letter. We request that you move this to a two-year bill to allow time to work out the details. As it is currently written, AB 1110 would delay California's reduction in greenhouse gas emissions, slow the rate of construction for new California renewable energy, and deter new community choice programs from offering high levels of renewable energy. Since we believe none of these outcomes are intended, and because we already have agreement that implementation would be deferred until 2018, we ask to work with your office to improve the bill for a vote next year.

ISSUES:

- Category 2 bundled renewable energy should not be equated with unbundled renewable energy credits (RECs), and should be encouraged in voluntary green power programs.
- **Clarify this bill eliminates the reported greenhouse gas claims of “Unbundled RECs.”** TURN's language to achieve this goal is not clear, since unbundled RECs are,

- by definition, the green attributes associated with generated energy. They are simply not purchased together with the energy. But since the California Energy Commission currently requires unbundled RECs to be reported as energy on the Power Content Label (e.g., Wind), a clarification is needed.
- **Clarify that this bill makes no changes to other existing compliance reporting obligations.** The requirements of AB 1110 reporting govern how those emissions are reported to consumers through all marketing and retail product claims, and on the California Energy Commission's Power Source Disclosure Report and Power Content Label, but should have no impact on any other existing regulatory compliance reporting, including the California Air Resources Board's Mandatory Reporting Regulation. The City of Arcata recommends the following change: (8) Any marketing, regulatory consumer disclosures or retail product claims relating to the greenhouse gas emissions intensity of the electric supply portfolio of a retail supplier shall be consistent with the methodology required under this section.
- **Request that future legislation address the increased confusion caused from using different rules for reporting data on a single consumer disclosure.** The California Energy Commission's (CEC) Power Content Label requires that all RPS-eligible sources are reported as energy, including Category 3 RECs. But because of the new requirements in this bill, that same source (e.g., shown as "Wind") would be reported as having emissions from Unspecified Sources (similar to natural gas energy). That mismatch will create increased consumer confusion, and should be addressed in future legislation. Request that the CEC's implementation of the bill uses existing data and compliance filings wherever possible.

Thank you for considering making AB 1110 a two-year bill to allow time to work through these issues. We look forward to working together to achieve consistent and transparent public disclosure of greenhouse gas emissions.

Sincerely,

Michael Winkler, Mayor
City of Arcata