



California Wind Energy Association

September 22, 2010

California Air Resources Board
1001 I Street
Sacramento, California 95814

Submitted via http://www.arb.ca.gov/lispub/comm/bcsubform.php?listname=res2010&comm_period=A

RE: Comments on Proposed RES Regulation

Dear Chair Nichols and Board Members,

California's renewable energy policy has been on a roller coaster ride for the past two years. Restoring long-term policy stability is essential to support continued investment in wind and other renewable energy projects. CalWEA does not view the ARB's proposed rules for a 33% RES as moving the state towards that goal for several reasons.

First, the proposed regulation does not strike a sustainable balance regarding the portion of the requirement that can be fulfilled by tradable credits (RECs). Renewable energy projects that deliver energy directly to California provide additional consumer and environmental benefits that need to be recognized in order for the policy to enjoy the broad stakeholder support necessary for long-term policy stability.

Second, the proposed regulation is incongruous with the rules governing the 20% RPS, most disturbingly the radical redefinition of a REC as not constituting a property right. As CRS, PacifiCorp and others have explained in their comments, this action would contradict the actions of other state and federal agencies and upset common business practice.

Third, the proposed rules state (p. ES-11 & ES-12) that three reviews will take place to determine the need for program modifications, suggesting that major elements of the regulation, including compliance schedules and renewable resource eligibility, could be modified. Again, this signals potential policy instability.

For these reasons, we urge you to postpone adoption of the proposed regulation until these problems can be remedied. Such a postponement would have the additional benefit of allowing the Legislature a chance to move 33% RPS legislation to the Governor's desk before the end of the 2010 session.

Thank you for the opportunity to comment. Please feel free to contact me if you have any questions.

Sincerely,

Nancy Rader
Executive Director