



November 17, 2009

Mr. David Mehl
Stationary Source Division
California Air Resources Board
P.O. Box 2815
Sacramento, CA 95812

Dear Mr. Mehl:

I am the General Manager of the Trinity Public Utilities District (TPUD). The TPUD is a very unique consumer owned electric utility serving most of Trinity County. For that reason, the Legislature chose to exempt TPUD from the RPS requirements in SB 14 (Simitian), which was vetoed by the Governor for reasons not related to the TPUD exemption. This letter constitutes TPUD's written comments to the California Air Resources Control Board (CARB) Staff's Proposed Concept Outline for the Renewable Energy Standard (RES). TPUD is a one-of-a-kind entity and should be exempt from CARB's RES program.

In 1955, the US Congress provided Trinitarians mitigation to offset some of the devastation to Trinity County caused by the construction of the Trinity Division of the CVP. This mitigation is in the form of access to large hydroelectric power "for use in Trinity County", meaning we cannot sell what we might displace with RES. Our statutory rights (other utility's access to Federal hydroelectric power is administratively provided for and is not a mitigation measure) to clean hydroelectric power are sufficient to meet all of our needs for the next several decades. This mitigation is woefully inadequate, approximately three cents on the dollar. Any RES mandate that effectively denies the TPUD access to some of this mitigation would simply further burden the citizens of Trinity County for the water transferred to the Sacramento River from Trinity County (about a third of that river's water).

In short, a 33% RES mandate would translate to a TPUD retail rate increase of more than 60%, and would quite possibly more than double our electric rates. Because such a mandate makes no sense when applied to the TPUD, both of the recently vetoed RPS bills included provisions that exempted the TPUD. The language in SB 14 exempted TPUD in Public Utilities Code Section 399.30(g):

"A public utility district that receives all of its electricity pursuant to a preference right adopted and authorized by the United States Congress pursuant to Section 4 of the Trinity River Division Act of August 12, 1955 (Public Law 84-386) shall be in compliance with the renewable energy procurement requirements of this article."

TPUD requests the same or a similar exemption from CARB's RES for the same reasons that the Legislature chose to exempt TPUD from the RPS program.

If you need further clarification, please contact our General Manager Rick Coleman.

Sincerely,

Thomas Ludden
President of the Board

TL/kp

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