Meeting Climate Goals through Investment in Clean Energy Technologies and Energy Efficiency

GUIDING PRINCIPLES

- Invest in a portfolio of programs and projects that help meet the AB 32 GHG reduction targets while also making progress on our state's related energy, environmental, and economic goals.
- Invest in a balanced, technology-neutral portfolio of programs and projects that include both near term, low-risk, cost effective strategies and longer term, higher risk, higher impact strategies. This includes funding for development, demonstration, pilot, and deployment of a range of low carbon technologies and efficiency retrofits.
- Utilize existing programs and structures wherever possible; ensure that new programs and investments complement existing efforts.
- Maximize economic and environmental benefits in disadvantaged communities.
- Support California companies and in-state job development including demonstration and deployment strategies to help CA-companies scale up.
- Support vulnerable industries that are under the greatest pressure to meet the regulatory obligations of AB 32.
- Include clear metrics for success in meeting the 2020 and long-term goals and milestones to track progress, while also providing a regular status report for public review.

ELIGIBLE TECHNOLOGIES

State policies should establish clear performance and environmental objectives and support – in a technology neutral fashion – new technologies that meet those objectives. At a minimum the following technologies would be eligible:

- Renewables
- Clean energy generation
- Advanced transportation/alternative fuels including infrastructure
- Energy efficiency, energy management, and demand response technologies
- Distributed generation
- Energy storage
- Smart Grid technologies

PROGRAM ELEMENTS

- **1) Invest in a Green Bank**. This type of bank could – with a relatively small amount of up-front state funding –leverage private capital, spur near- and long-term investments in GHG-reducing technologies, and become self-sustaining over time. A Green Bank could stimulate investments in PACE programs, EE retrofits and clean generation in commercial and public buildings, and clean transportation infrastructure. Existing state administrative channels could be used.
- **2) Invest in existing programs with proven GHG reduction benefits.** Investing in existing programs would allow the state to quickly achieve near-term GHG reductions. Existing oversubscribed programs with GHG reduction benefits include: AB 118, CSI, and SGIP.
- **3) Address gaps in existing programs** through specific incentive mechanisms such as rebates, leveraged grants, or other financial tools. Gaps exist in the following areas: incentives for building energy management technologies, smart grid technology deployment, investment in DG at schools and public buildings, on-site clean generation in disadvantaged communities, financing for agricultural biogas production, and others.
- Investments should be coordinated with existing programs and should enhance existing program investments. Investments should also be consistent with legislation passed last year (AB 1532 and SB 535) and the Governor's proposed budget.
- Investments should take into account and coordinate with new programs and funds that are being implemented concurrently such as Prop 39 and other energy efficiency programs.

SUPPORT

California Energy Efficiency Industry Council
CALSTART
CleanTECH San Diego
Efficiency.org
Silicon Valley Leadership Group
TechNet