UNIVERSITY OF CALIFORNIA

BERKELEY • DAVIS • IRVINE • LOS ANGELES • MERCED • RIVERSIDE • SAN DIEGO • SAN FRANCISCO



SANTA BARBARA • SANTA CRUZ

OFFICE OF THE PRESIDENT

DANIEL M. DOOLEY
Senior Vice President – External Relations

Office of State Governmental Relations 1130 K Street, Suite 340 Sacramento, California 95814 (916) 445-9924 Steve Juarez, Associate Vice President and Director

April 11, 2013

The Honorable Wesley Chesbro Chair, Assembly Natural Resources Committee 1020 N Street, Room 164 Sacramento, CA 95814

RE: AB 29 (Williams) as amended March 19, 2013

Scheduled for hearing April 15, 2013 in the Assembly Natural Resources Committee

Position: Support

Dear Assemblyman Chesbro:

The University of California (UC) is pleased to support AB 29 and the author's efforts to pave the way for California's institutions of higher education to lead by example in implementing successful energy efficiency projects funded by the voter approved Clean Energy Job Creation Fund.

AB 29 seeks to have the California Energy Commission (CEC) administer, in coordination with the Public Utilities Commission, the Office of the President of the University of California, the Office of the Chancellor of the California State University (CSU), and the Office of the Chancellor of the California Community Colleges (CCC), grants, loans, or other financial assistance to UC, CSU, and the CCC for projects that create jobs in California by reducing energy demand and consumption. The bill appropriates \$152 million each fiscal year from 2013-14 to 2017-18 from the Clean Energy Job Creation Fund to the CEC for allocation to the three segments for these projects. In addition, the bill seeks to establish a system to prioritize eligible projects based upon the potential for demand reduction, the duration of the payback period, and the amount of flexibility a project will create for local budgets.

The University is actively working to reach carbon neutrality and has been deeply engaged in climate solutions planning for several years, while producing a demonstrated track record of delivering cost-effective energy projects and programs. As such, the University is uniquely positioned to leverage Clean Energy Job Funds to reduce its carbon footprint and energy consumption immediately as well as over the longer-term, all while creating high quality jobs for Californians. The University proposes to combine funding from Clean Energy Job Creation Funds with University funds to maximize the investment and scope potential.

The Honorable Wesley Chesbro Page 2 April 11, 2013

In total, the University has identified 280,000,000 kWh/year of energy savings from energy efficiency projects with an equity funding of \$60 million over five years; and the production of approximately 3,900,000,000 kWh/year of renewable energy projects with an equity funding of \$346 million over five years. After University financing is retired for all projects, this equates to an estimated annual energy cost savings of \$90,000,000 a year in 2012 dollars. Combined, the energy efficiency and renewable energy projects will eliminate 934,500 metric tons of greenhouse gas per year and create or sustain 6,230 jobs.

We appreciate the recognition of the inherent value of energy efficiency within California's public postsecondary institutions that this measure provides, and for your consideration of the University's views. Should you have questions about the University's position on this bill, please do not hesitate to contact me at (916) 445-5584.

Sincerely,

Jason Murphy

Legislative Director

Jason W. Whapley

cc: Assembly Member Das Williams

Members, Assembly Natural Resources Committee

President Mark G. Yudof

Provost Aimée Dorr

Senior Vice President Daniel Dooley

Associate Vice President and Director Steve Juarez