



# ORA

*Office of Ratepayer Advocates  
California Public Utilities Commission*

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**JOSEPH P. COMO**  
Acting Director

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April 22, 2014

Honorable Ben Hueso  
California State Senate  
State Capitol, Room 2054  
Sacramento, CA 95814

**RE: SB 1139 (Hueso) - Oppose**

Dear Senator Hueso:

The Office of Ratepayer Advocates (ORA) is the independent consumer advocate within the California Public Utilities Commission (CPUC). ORA's statutory mandate is to obtain the lowest possible rates for utility services consistent with safe and reliable service levels. ORA also advocates for customer and environmental protections in connection with utility service.

ORA respectfully opposes your SB 1139, as amended on April 21, which would require all retail electricity sellers (both public and privately owned utilities) to collectively procure 500 megawatts of new geothermal power by 2024. SB 1139 specifies that the electricity procured shall not count toward meeting California's Renewable Portfolio (RPS) mandate, and would specifically exempt these geothermal power purchases from the cost containment requirements of RPS statute under Public Utilities Code Section 399.15(c).

While ORA recognizes your goal to reduce greenhouse gas and promote clean renewable power, ORA has concerns that your bill would undermine renewable market competition and adversely impact the ability for California to meet its renewable energy goals while ensuring just and reasonable rates. Currently, geothermal developers can compete in various RPS-qualifying programs, and the CPUC relies on a competitive process to determine which renewable projects can provide the best environmental and economic value at least cost to California ratepayers. SB 1139 would allow geothermal developers to bypass market competition, and could hinder the ability for the State to contain costs associated with renewable power purchases.

If you have any questions or would like to discuss this matter further, please call ORA's Legislative Advisor Rebecca Lee, at (916) 327-1407 or me at (415) 703-2381.

Respectfully,

Joseph P. Como, Acting Director  
Office of Ratepayer Advocates

By  
Rebecca Lee  
Legislative Advisor