



OFFICE OF THE GOVERNOR

SEP 26 2014

To the Members of the California State Assembly:

I am signing Assembly Bill 2363, which requires the California Public Utilities Commission to develop a methodology for determining the wholesale and capacity costs associated with integrating each type of renewable resources. As California looks towards expanding our greenhouse gas reduction goals and relying more on renewable energy, it is important that we do so in a manner that maintains reliability and affordability.

Resources such as geothermal and biomass are important sources of energy generation for the State and provide great environmental and climate benefits.

This bill focuses on the procurements made by investor owned electrical corporations, but maximizing the benefits of geothermal and biomass will require the collaboration and procurement of this renewable generation by State and Federal Government agencies, and key public power agencies – Los Angeles Department of Water and Power, Sacramento Municipal Utilities District and Imperial Irrigation District.

Sincerely,


Edmund G. Brown Jr.