

STATE CAPITOL
SACRAMENTO, CA 95814
TEL (916) 651-4005
FAX (916) 323-2304

DISTRICT OFFICES
555 MASON STREET
SUITE 230
VACAVILLE, CA 95688
TEL (707) 454-3808
FAX (707) 454-3811

31 E. CHANNEL STREET
ROOM 440
STOCKTON, CA 95202
TEL (209) 948-7930
FAX (209) 948-7993

EMAIL
SENATOR.WOLK@SENATE.CA.GOV

WEBSITE
WWW.SEN.CA.GOV/WOLK

California State Senate

SENATOR
LOIS WOLK
FIFTH SENATE DISTRICT



COMMITTEES
GOVERNANCE & FINANCE, CHAIR
AGRICULTURE
BUDGET & FISCAL REVIEW
BUDGET SUBCOMMITTEE NO. 5 ON
CORRECTIONS AND PUBLIC
SAFETY
ELECTIONS & CONSTITUTIONAL
AMENDMENTS
HEALTH
NATURAL RESOURCES & WATER

SB 489 Renewable Energy Equity Act *By Senator Lois Wolk*

Policy Summary

SB 489 proposes to open California's Net Energy Metering (NEM) Program to all eligible forms of renewable energy. This will allow agricultural businesses and homeowners to more easily and economically convert their renewable byproducts into clean renewable energy and to off-set their electricity use, help reduce the need for new power plants and transmission infrastructure and save money on their power bills. Expanding the program will also help the state reach both its greenhouse gas emissions reduction goals and also its renewable energy goals.

Background and Analysis

California is seeking to reduce its greenhouse gas emissions to 1990 levels by 2020, with over a quarter of those reductions coming from the energy sector, and has adopted a 33% Renewable Portfolio Standard goal. However, while renewable energy has grown, it has not kept pace with the overall increase in energy demand in California from 1997 through 2009.

To help spur renewable energy production the state has adopted several programs; however, significant obstacles continue to block new distributed renewable power production. Specifically, limitations within California's NEM program are preventing cost-effective, clean renewable power from connecting to the grid.

The current NEM program is only open to wind or solar power generators. Only those generators can take advantage of the program's streamlined approach to getting renewable energy on line quickly. Connecting all other forms of clean renewable energy to the electric grid requires going through the longer, more arduous, and very expensive Feed-In-Tariff process. It also prohibits the benefits of combining the different types of renewable power. For smaller energy producers, the costs incurred by this longer process often outweigh the benefits of the renewable power generation. SB 489 proposes to allow all small-scale eligible renewable energy producers to participate in the NEM program, offering them a cost-effective way to save money and produce clean power, which will help California reach its energy and environmental goals.

Support

California Climate and Agriculture Network (CalCAN)

Staff contact:

Tina Andolina – 916-651-4005
Tina.andolina@sen.ca.gov