



April 22, 2016

The Honorable Ricardo Lara
Chair, Senate Appropriations Committee
State Capitol, Room 5050
Sacramento, CA 95814

Senate Bill 1041 (Hueso)
Position: SUPPORT

Dear Senator Lara:

The School Energy Coalition (SEC), an organization made up of K-12 schools, community colleges, school construction and energy consultants focused on energy and water efficiency and renewable generation projects for California's students, requests your support for Senate Bill 1041 when the bill is next heard in the Senate Appropriations Committee.

This bill would require each electrical corporation and gas corporation in the state to develop and submit to the Public Utilities Commission (PUC) for its approval a rate for service applicable to public elementary and secondary schools that is just and reasonable and reflects the costs of providing service to those schools. The bill would also require a local publicly owned electric utility to develop such a rate.

In the wake of budget cuts and the funding available through Proposition 39, schools have been making significant investments in energy efficiency and renewable projects on school sites in order to lower their bottom lines through utility bill savings. As a result, K-12 schools are now extremely aware of potential changes in electricity rates that force them to divert funding from student-focused school priorities. In addition, rate increases alter promised payback periods and the return on investment that is required for approval under the Proposition 39 program.

Although a school's electricity usage is for the most part, predictable and cyclical, they are not able to shift their energy load like manufacturers. School hours cannot be changed to evening, for example, to address costly rate increases during the day.

SEC supports SB 1041 to provide a school rate that reflects the cost of service. Schools have made wise investments that are stretching taxpayer dollars so that more of their budgets may be used for school priorities that move students statewide toward better academic achievement.

Thank you for your consideration. Please contact me with questions or concerns regarding this letter.

Sincerely,

Anna Ferrera
School Energy Coalition

cc: Members, Senate Appropriations Committee
Jay Dickenson, Office of Senator Ben Hueso
Jessica Billingsly, Senate Republican Caucus