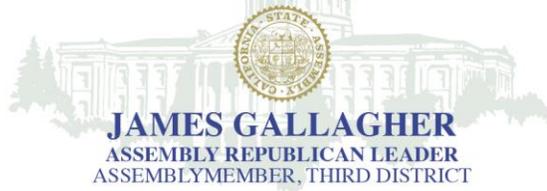


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September 13, 2022

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

RE: RECOMMENDED VETO OF SB 1020 (LAIRD, J)

Dear Governor Newsom:

I respectfully request a veto of Senate Bill 1020, which passed the Assembly on 8/29/2022 by a vote of 54 to 17, with 16 members of the Assembly Republican Caucus voting "No."

California's electric grid is in a state of crisis, as evidenced by the 2020 rolling outages. This week's extreme heat wave has forced Californians to take unprecedented actions to reduce their energy use at the times they need it most. As the state transitions to a more electrified future, residents will likely have to endure such sacrifices more often. In response, the state has already backtracked on its so-called "clean energy" commitments: polluting back-up resources are now necessary to keep the lights on, and we have just taken action to reauthorize the Diablo Canyon Power Plant.

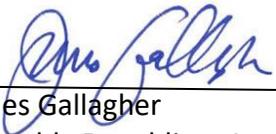
SB 1020 would only worsen these problems. The bill accelerates California's 2045 zero-carbon electricity mandate by setting interim targets for utilities beginning in 2035 and by requiring state agencies to use 100% zero-carbon energy before 2036 (rather than 2046).

California is struggling as it is to provide energy dependably to its residents. This bill arbitrarily commits all electric customers to using fewer resources that are proven reliable. It would do so ahead of the looming 2045 zero-carbon deadline, even with an ever-growing demand for power. Locking in these mandates disregards the flexibility needed to maintain a safe and affordable grid, in exchange for minimal impact for the environment. There is no justification for putting Californians' health and safety in jeopardy this way.

Additionally, this bill does not provide any direct relief to deal with the crippling affordability crisis. Californians already pay electric rates almost 70% higher than the national average. This bill will force utilities to scrap reliable resources ahead of schedule and replace them with new, less-proven ones in a redundant manner. The likely effect will be further rate increases. Irresponsibly and inexcusably, this bill lacks any means to credit ratepayers or offset their costs. Moreover, the state government must also comply with the bill, raising costs for taxpayers, too.

For the reasons stated above, I respectfully request that you veto Senate Bill 1020.

Sincerely,



James Gallagher
Assembly Republican Leader