



Office of the Governor

ARNOLD SCHWARZENEGGER
THE PEOPLE'S GOVERNOR

PRESS RELEASE

11/17/2008 GAAS:785:08 FOR IMMEDIATE RELEASE

Governor Schwarzenegger Advances State's Renewable Energy Development

Signs Executive Order to Raise California's Renewable Energy Goals to 33 Percent by 2020, Clear Red Tape for Renewable Projects

Building on his commitment to reducing greenhouse gas emissions and increasing the state's renewable energy, Governor Arnold Schwarzenegger today signed Executive Order S-14-08 (EO) to streamline California's renewable energy project approval process and increase the state's Renewable Energy Standard to 33 percent renewable power by 2020.

"I am proposing we set the most aggressive target in the nation for renewable energy-33 percent by the year 2020-that's a third of our energy from sources like solar, wind and geothermal," Governor Schwarzenegger said. "But we won't meet that goal doing business as usual, where environmental regulations are holding up environmental progress in some cases. This executive order will clear the red tape for renewable projects and streamline the permitting and siting of new plants and transmission lines. With this investment in renewable energy projects, California has a bright energy future ahead that will help us fight climate change while driving our state's green economy."

The Governor made today's announcement at the site of OptiSolar's new plant in Sacramento, which will begin manufacturing solar panels in early 2009. When fully built out, the one-million-square-foot plant will be the largest photovoltaic solar panel manufacturing plant in North America, providing 1,000 green jobs and producing approximately 2,000 solar panels per day.

To solidify his promise to increase the amount of electricity California receives from renewable resources, the Governor will expand the state's current RPS requirements to 33 percent by 2020. The Governor also will propose legislative language that will codify the new higher standards and require all utilities, public and private, to meet the 33 percent target and spread implementation costs across all ratepayers with safeguards for low-income customers. It will allow for the expansion of eligibility for California's RPS program to renewable energy generation from other western states and reform the renewable energy market structure to spur new development while providing consumer safeguards.

The EO will advance California's transition into a clean energy economy and directs state agencies to create comprehensive plans to prioritize regional renewable projects based on an area's renewable resource potential and the level of protection for plant and animal habitat. To implement and track the progress of the EO, the California Energy Commission (CEC) and the Department of Fish and Game (DFG) today signed a Memorandum of Understanding formalizing a Renewable Energy Action Team (REAT).

To streamline the application process for renewable energy development, the CEC and DFG will create a "one-stop" permitting process with the goal of reducing the application time for specific projects in half. This will be achieved through the creation of a special joint streamlining unit that will concurrently review permit applications filed at the state level.

To jump start Natural Communities Conservation Plans (NCCPs) under the EO, the REAT will initiate the Desert Renewable Energy Conservation Plan in the priority Mojave and Colorado Desert regions and identify other preferred areas that will benefit from a streamlined permitting and environmental review process. This will dramatically reduce the time and uncertainty normally associated with building new renewable projects.

In addition to the EO announced today, the CEC, DFG, U.S. Fish and Wildlife Service and the U.S. Bureau of Land Management signed a Memorandum of Understanding to establish a coordinated approach with our federal partners in the expedited permitting process. This coordinated approach will significantly reduce the time and expense for developing renewable energy on federally-owned California land, including the priority Mojave and Colorado Desert regions.

Gov. Schwarzenegger has led California in establishing laws and policies aimed at helping to promote renewable energy and fight global warming, including:

- In September 2008, Gov. Schwarzenegger signed [AB 1451](#) by Assemblyman Mark Leno (D-San Francisco), [AB 2466](#) by Assemblyman John Laird (D-Santa Cruz) and [AB 2267](#) by Assemblyman Felipe Fuentes (D-Sylmar) to build on California's commitment to increase renewable energy use. AB 1451 will build on the state's solar power usage by continuing a property tax exclusion for projects that utilize solar panel energy and expanding the exclusion to builder-installed solar energy systems in new homes. AB 2267 builds on the state's green economy by requiring the CPUC to grant incentives to eligible California-technology manufacturers. This bill also requires the Energy Commission to give priority to California-based companies when granting awards and will not only create jobs for hardworking Californians but will attract more clean-tech and green-tech companies to the state. AB 2466 will increase energy efficiency and help protect the environment by authorizing local governments to receive a utility bill credit for surplus renewable electricity generated at one site against the electricity consumption at other sites.
- In 2006, the Governor announced his Million Solar Roofs Plan to provide 3,000 megawatts of additional clean energy and reduce the output of greenhouse gases by three million tons, equivalent to taking one million cars off the road. Now known as the California Solar Initiative, the \$3.3 billion incentive plan for homeowners and building owners who install solar electric systems will lead to one million solar roofs in California by 2017.
- Announced as a component of the California Solar Initiative in 2007, the New Solar Homes Partnership (NSHP) aims to create a self-sustaining market for solar homes and gain builder commitment to install solar energy systems. A new home that qualifies for the NSHP is at least 15 percent more efficient than the current building standards.
- In September 2006, the Governor signed the Global Warming Solutions Act of 2006, California's landmark bill that established a first-in-the-world comprehensive program of regulatory and market mechanisms to achieve real, quantifiable, cost-effective reductions of greenhouse gases. The law will reduce carbon emissions in California to 1990 levels by the year 2020. Gov. Schwarzenegger has also called for the state to reduce carbon emissions to 80 percent below 1990 levels by the year 2050.

California's push to fight global warming and increase renewable energy will also boost our economy. According to an economic study by the University of California at Berkeley and Next 10, California's policies will create as many as 403,000 jobs in the next 12 years and household incomes will increase by \$48 billion.

The full text of the EO is below:

EXECUTIVE ORDER S-14-08
by the Governor of the State of California

WHEREAS, the State of California is a world leader in efforts to reduce global warming and greenhouse gas emissions, increase renewable energy production, promote energy efficiency, energy conservation, clean air and emission controls, expand the use of low carbon, alternative fuels and promote and commercialize new technologies and industries; and

WHEREAS, California has previously led the nation with an aggressive Renewable Portfolio Standard (RPS), requiring California's retail sellers of electricity to serve 20 percent of their load with renewable energy by 2010; and

WHEREAS, in 2003, the Governor called for an acceleration of the RPS, urging that 20 percent of California's electricity come from renewable sources by 2010 rather than 2017, seven years earlier than previously required, and this accelerated standard became law in September 2006, when the Governor signed SB 107; and

WHEREAS, California's high standards and ambitious goals have resulted in California leading the nation in renewable energy innovation, receiving more investment funding in clean technology than anywhere else in the United States, and accounting for 44 percent of all U.S. patents in solar technologies and 37 percent of all U.S. patents in wind technologies; and

WHEREAS, producing electricity from renewable resources provides multiple and significant benefits to California's environment and economy, including improving local air quality and reducing global warming pollution, diversifying energy supply, improving energy security, enhancing economic development, and creating jobs; and

WHEREAS, California has some of the best renewable energy resource areas in the world, providing immense potential for clean, valuable electricity generation in the state, and the development of these resources must be accelerated; and

WHEREAS, substantially increased development of renewable electricity sources, energy efficiency and demand response is needed to meet the greenhouse gas reduction goal of 1990 levels by 2020 and 80 percent below 1990 emissions levels by 2050, making the success and expansion of renewables a key priority for California's economic and environmental future; and

WHEREAS, fostering greater and more timely renewable energy development means California's energy agencies must establish a more cohesive and integrated statewide strategy, including greater coordination and streamlining of the siting, permitting, and procurement processes for renewable generation, improving the manner in which the state develops its transmission infrastructure, and encouraging technically and economically feasible distributed renewable energy opportunities; and

WHEREAS, the California Public Utilities Commission (CPUC) has approved more than 6,300 MW of renewable generation contracts for investor-owned utilities, and has identified various challenges that impede their timely realization, relating to transmission, financing, siting, permitting, integration, environmental and military objectives, technology development and commercialization and equipment procurement; and

WHEREAS, the California Energy Commission (CEC) in its 2007 Integrated Energy Policy Report (IEPR) indicated that there are substantial barriers to generation siting, permitting and transmission that must be addressed in order to achieve the 2010 and 2020 RPS goals; and

WHEREAS, the Renewable Energy Transmission Initiative (RETI) is a statewide initiative to help identify the transmission projects needed to accommodate these renewable energy goals and facilitate transmission corridor designation and transmission and generation siting and permitting; and

WHEREAS, RETI will (1) assess competitive renewable energy zones in California and surrounding regions that can provide significant electricity to California consumers by 2020; (2) identify those zones that can be developed in the most timely and cost effective way, with least environmental impact; and (3) prepare detailed transmission plans for those zones identified for development; and

WHEREAS, deployment of new renewable energy technologies across the state will require utilizing new areas of biologically sensitive land; and

WHEREAS, California is committed to conserving natural communities at the ecosystem scale through the use of California's unique Natural Community Conservation Planning (NCCP) tool, coordinated by the Department of Fish and Game (DFG) and CEC, which identifies and provides for the region-wide protection of plants, animals, and their habitats while allowing for compatible economic activities such as renewable energy generation; and

WHEREAS, the Western Governor's Association has initiated the Western Renewable Energy Zone (WREZ) initiative to identify and expedite cost-effective, environmentally sensitive transmission development to areas with high-grade, renewable energy resources in order to bring about the development of 30,000 megawatts of clean and diversified energy across the West by 2015.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power vested in me by the Constitution and statutes of the State of California, do hereby order effective immediately:

1. That the following Renewable Portfolio Standard target is hereby established for California: All retail sellers of electricity shall serve 33 percent of their load with renewable energy by 2020. State government agencies are hereby directed to take all appropriate actions to implement this target in all regulatory proceedings, including siting, permitting, and procurement for renewable energy power plants and transmission lines.
2. The Resources Agency shall lead the joint collaboration between the CEC and the DFG to expedite the development of RPS eligible renewable energy resources through the actions outlined in this order.

3. The Department of Fish and Game shall immediately create a new internal division, the primary purpose being comprehensive planning and streamlined compliance services; including for renewable energy projects. The division shall ensure the timely completion of NCCPs, which embody the balancing of project assurances with ecosystem protection.
4. Pursuant to this Order and the MOU signed on November 17, 2008 by the CEC and DFG formalizing the Renewable Energy Action Team (REAT), the REAT shall lead completion of items 5 through 12.
5. Pursuant to the MOU, DFG and CEC shall immediately create a "one-stop" process for permitting renewable energy generation power plants. Instead of filing multiple sequential applications, the DFG and CEC shall create a concurrent application review process, which shall be filed directly at the state level. To facilitate this process, a special joint streamlining unit shall be created and shall reduce permit processing times by at least 50% for projects in renewable energy development areas, as such areas are defined by the REAT beginning on February 1, 2009.
6. Pursuant to the MOU signed on November 17, 2008 by the CEC, the DFG, the United States Bureau of Land Management and the U.S. Fish and Wildlife Service, the REAT shall endeavor to include all appropriate federal partners in the expedited permitting process described in number 5 above.
7. By December 1, 2008, the REAT shall initiate the Desert Renewable Energy Conservation Plan (DRECP) process for the Mojave and Colorado Desert regions.
8. By March 1, 2009, the REAT shall identify and publish top priority areas in California where other NCCPs or similar plans should be developed based upon their renewable energy development potential.
9. By December 31, 2009, the REAT shall develop and publish a Best Management Practices manual to assist RPS project applicants in designing projects to emphasize siting considerations and minimize environmental impacts for RPS desert projects.
10. By December 31, 2009, the REAT, in conjunction with our federal partners and stakeholder groups, shall develop a conservation strategy that clearly identifies and maps areas for RPS project development and areas intended for long-term natural resource conservation as a foundation for the DRECP.
11. By December 31, 2010, the REAT, in conjunction with our federal partners and stakeholder groups, shall complete the draft DRECP and initiate the environmental review process.
12. By June 1, 2012, the final DRECP shall provide binding, long-term endangered species permit assurances, facilitate the RPS desert project approval process, and provide a process for state and federal conservation funding to implement the DRECP.
13. By January 1, 2010, the CEC shall provide an estimate of total retail electricity sales in California in 2020 by utility and shall update this number every two years through the IEPR.
14. Direct the CEC, and request the CPUC and California Independent System Operator (ISO), to work with other RETI stakeholders to complete the following by March 31, 2009: (a) develop a product that identifies top priority renewable energy zones that can be developed reliably, cost-effectively and with least environmental impact; and (b) issue a Renewable Transmission Development Report that identifies potential routes and interconnection points for new lines. I direct DFG to participate in the RETI process and the REAT to provide increased technical support to the RETI stakeholder group. I also request that the CPUC and the ISO support the RETI stakeholder group as appropriate in order to meet this deadline.
15. Direct the CEC, and request the CPUC, to participate in the WREZ initiative in order to increase availability to all potential renewable energy resources, coordinate research, planning, and investments with our regional partners, and to complement RETI. Specifically, I request that the CPUC, in conjunction with the CEC, ensure that there is information exchange and coordination between the WREZ initiative and RETI and to facilitate the feasible integration of the resulting plans from each initiative.
16. In order to facilitate the timely permitting of renewable energy projects, all state regulatory agencies shall give priority to renewable energy projects as set forth in this Executive Order.
17. In conjunction with its work with DFG to develop the DRECP pursuant to number 7 above and any work it performs to facilitate the siting and permitting of renewable generation and transmission projects, the CEC shall

coordinate with BLM, CPUC, the California ISO, and other interested federal, state, and local agencies, work closely with interested stakeholders, and utilize input from RETI.

This Order is not intended to create, and does not create, any right or benefit, whether substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, entities, officers, employees, agents or any other person.

I FURTHER DIRECT that as soon as hereafter possible, this Order be filed with the Office of the Secretary of State and that widespread publicity and notice be given to this Order.

IN WITNESS WHEREOF I have here unto set my hand and caused the Great Seal of the State of California to be affixed this the 17th day of November 2008.

ARNOLD SCHWARZENEGGER
Governor of California

ATTEST:
DEBRA BOWEN
Secretary of State