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California Legislature



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May 22, 2007

The Honorable Xavier Becerra
Congressman, 31st District - CA
1910 Sunset Blvd, Suite 560
Los Angeles, CA 90026

Dear Congressman Becerra:

As a member of the California delegation to Congress and a fellow representative of the citizens of Los Angeles, I urge you to cosponsor the Securing America's Energy Independence Act, HR 550. This important federal legislation would strengthen the nation's energy security and help make our country a world leader in solar energy and fuel cell technologies.

As you know, California, like most of the nation, is currently seeing rising energy prices that could threaten our economy and energy security. Half of California's electrical generation is powered by natural gas plants, and as natural gas prices have risen dramatically in the last year, we have experienced significant electric rate increases. Population growth and rising energy consumption have shaved peak generating capacity reserves and placed a greater strain on the electric transmission grid, increasing the risk of blackouts.

To diversify California's electricity portfolio, reduce reliance on natural gas, increase peak capacity, and ease congestion on the electricity grid, California is aggressively promoting the use of renewable energy. This includes requirements that all retail sellers of electricity procure at least 20% of their electricity from renewable resources and programs to promote the development of renewable forms of distributed generation, including solar power. I have made it a priority to help make California a world leader in developing, distributing and utilizing solar power.

The Securing America's Energy Independence Act is critical to the success of California's Solar Initiative. While the Energy Policy Act of 2005 provided key investment tax credits for consumers who install solar energy and fuel cell systems, the credits are set to expire by the end of 2008. This limited duration has created market uncertainty, restricting the manufacturing investment which is critical to driving down future costs.

An eight-year extension of the investment tax credits (ITC) for solar and fuel cells authorized in HR 550 would strengthen California's position as a global leader in renewable energy, and

articulate the clear and unambiguous support of the United States government for a homegrown renewable energy industry. Our state is positioned to capture a leading share of the jobs and investment created by the transition to a clean-energy economy.

By expanding the use of solar and fuel cells in homes and businesses, we can help achieve greater energy independence while bringing more jobs to California. The California delegation to Congress must seize this promising opportunity to innovate and lead the way towards clean energy and a healthier, more prosperous future. I commend the authors of HR 550 for their leadership, and I urge you to lend your support in order to ensure that Congress enacts the bill into law this year.

Sincerely,



Lloyd E. Levine
Chair, Assembly Utilities and Commerce Committee