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ACTION FOR A Healthy planet





June 14, 2023

Senator Josh Becker 1021 O Street, Suite 7250 Sacramento, CA 95814

## RE: SB 410 (Becker) – Powering Up Californians Act– SUPPORT

Dear Senator Becker:

On behalf of the undersigned organizations, we are writing to support SB 410. California regulation requires that all new light, medium, and heavy-duty vehicles sold be zero-emission and state law requires economy-wide carbon neutrality by 2045 (which necessitates transportation and building electrification). Moreover, policies at all levels of government are advancing a transition from diesel-fueled freight operations to zero-emission trains, trucks, equipment, and vessels, and from mixed-fuel to all-electric buildings. But costly delays in providing utility customers with necessary electrical service are already undermining progress in meeting climate, air quality and equity goals. SB 410 would remove those barriers, holding utilities accountable to reasonable timelines for energization, and directing them to plan, hire, and build the grid necessary to comply necessary to meet federal, state, regional, and local decarbonization and air quality goals, standards, and regulations.

Many independent studies have demonstrated the significant potential of building and transportation electrification to put downward pressure on utility rates to the benefit of all utility customers. For example, it is estimated electrifying buildings and vehicles could offset the bill increases stemming from wildfires and associated grid upgrades.<sup>1</sup>

This is not just a theoretical proposition, but an observed reality —between 2012 and 2021, electric vehicle drivers in Southern California Edison, San Diego Gas & Electric, and Pacific Gas & Electric service territory contributed more than \$1.7 billion in net-revenue to the body of utility customers.<sup>2</sup>

But delays in providing electrical service to customers and the multi-year timelines associated with making necessary grid upgrades are already slowing transportation and building electrification that can put additional downward pressure on utility rates.

SB 410 takes a thoughtful and comprehensive approach to mitigate those delays and holds utilities accountable to reasonable timelines for energization. It also directs utilities to plan and upgrade the grid more strategically and right-sized, consistent with federal, state, regional, and local law and regulations. This will also yield cost savings for the body of utility customers because building it once and building it right is significantly less expensive than making multiple, incremental upgrades.

We thank you for authoring SB 410 and urge your colleagues to vote "Aye" on this important legislation.

<sup>&</sup>lt;sup>1</sup> Mohit Chabra and Catherine Hay, *Electrifying Buildings and Cars Can Rein in Electric Rates*, February 19, 2020: https://www.nrdc.org/bio/mohit-chhabra/electrifying-buildings-and-cars-can-rein-electric-rates

<sup>&</sup>lt;sup>2</sup> Synapse Energy Economics, *Electric Vehicles Are Driving Electric Rates Down*, December 2022: https://www.nrdc.org/sites/default/files/media-uploads/ev\_impacts\_december\_2022\_0.pdf

Sincerely,

s/n Merrian Borgeson Director, California Climate Policy s/n Max Baumhefner Senior Attorney, Clean Vehicles & Fuels NRDC

s/n Laura Feinstein Sustainability and Resilience Policy Director SPUR

s/n Bahram Fazeli Director of Research & Policy Communities for a Better Environment

s/n Lauren Weston Executive Director Acterra: Action for a Healthy Planet

s/n Srinidhi Sampath Kumar Program Manager RMI

s/n Brandon Dawson Director, California Sierra Club

s/n Diane Bailey Executive Director Menlo Spark

s/n Bill Magavern Policy Director Coalition for Clean Air

s/n Christine Kohl-Zaugg Executive Director Sustainable San Mateo County s/n Katelyn Roedner Sutter California State Director Environmental Defense Fund

s/n Janet Cox, CEO Climate Action California

s/n Robert M. Gould, MD President San Francisco Bay Physicians for Social Responsibility

s/n Serena Pelka Policy Advocate Climate Action Campaign

s/n Daniel Barad Western States Policy Manager Union of Concerned Scientists

s/n Laura Deehan State Director Environment California

s/n Ralph Dennis Legislative Committee Co-Chair 350 Bay Area Action

s/n Emilie Olson Senior Policy Principal Advanced Energy United