



OFFICE OF THE MAYOR
December 24, 2009

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, DC 20510-0504

RE: Support for the Renewable Energy Incentive Act (S. 2899)

Dear Senator Feinstein:

On behalf of the City of Pasadena, I am writing to strongly support your legislation: The Renewable Energy Incentive Act (S. 2899) to extend the Treasury Grant Program authorized under Section 1603 of the American Recovery and Reinvestment Act to include publicly owned utilities (POUs). Because POU's are currently prohibited from receiving Treasury Grants for their renewable energy projects, our utility, Pasadena Water and Power, as well as other POUs have had to establish complex financial arrangements with private developers in order to build renewable energy projects that qualify for grants under current law.

By making Section 1603 grant programs available to POUs and extending them for an additional two years, your legislation will have a positive impact to Pasadena and its ratepayers. Recent financial analysis conducted by other POUs show a 24% reduction in energy cost per MWh for renewable energy resources which have access to the Treasury Grant Program. Additionally, this program extension would result in a reduction of Pasadena's greenhouse gas emissions, as well as support Pasadena's goal of achieving a 40% Renewable Portfolio Standard (RPS) by the year 2020, one of the highest RPS goals set in the State.

As Pasadena moves forward toward being a green and sustainable city, we will need your continued leadership on these important issues and we look forward to working with you to advance this legislation.

Sincerely,

BILL BOGAARD

Mayor

cc: Michael Beck, City Manager – City of Pasadena
Carolyn C. Chaney, Chaney & Associates, Inc.