

Legislative Principles to Achieve Energy Security

The San Diego Regional Energy Office (SDREO) has recommended that the San Diego Association of Governments (SANDAG) adopt a set of guiding principles based on its Regional Energy Plan to determine the importance of, and its position on, various state and federal legislative items resulting from the current energy crisis. In particular, legislation which accomplishes any of the following goals would be consistent with the Regional Energy Plan:

1. Develops regulatory and market mechanisms that ensure the state achieves the greatest level of energy self-sufficiency and security as soon as practical.
2. Ensures the preservation of consumer choice through direct retail access.
3. Establishes a market structure and rules that promote real competition and reasonable, justifiable prices.
4. Provides refunds to consumers for rates that have been determined to be unjust or unreasonable.
5. Implements regulatory or other mechanisms that ensure that adequate supply margin is developed and this margin continues to exist in future years to prevent future price volatility and poor system reliability.
6. Provides for and expedites the development of needed infrastructure (e.g., generation, transmission and natural gas pipelines) to create robust and functional markets.
7. Minimizes the negative impacts on consumers, businesses and the economy while ensuring that actions taken do not further distort the realities of the current market (e.g. price caps that discourage conservation).
8. Avoids solutions that commit the state or region to energy prices that will not be competitive in future years.
9. Increases the diversity of the state and region's energy resources, particularly increasing the use of higher-efficiency, clean distributed generation (e.g combined heat and power) and renewable resources.
10. Increases energy efficiency in the state and region through both immediate and sustained energy efficiency measures.
11. Removes persistent barriers to innovation of the energy production and delivery system.
12. Encourages and provides incentives for the adoption of new and emerging technologies that provide real-time pricing to promote better price response by consumers.
13. Minimizes the adverse environmental impacts of the state and region's energy use.