



July 11, 2017

To: Members of the California State Legislature

From: Amisha Rai, Senior Director of California Policy, AEE

RE: AB 398 (Eduardo Garcia) and AB 617 (Christina Garcia): Cap and Trade and Air Quality-SUPPORT

Advanced Energy Economy (AEE) is pleased to **support AB 398** and **AB 617**, which would extend the state's current cap and trade system to 2030 while strengthening the fight against criteria pollutants that deeply impact so many communities throughout the state.

AEE is a national association of businesses dedicated to transforming public policy to enable a prosperous world that runs on clean, secure and affordable energy. We are comprised of over 100 companies both large and small across the technology spectrum, including energy efficiency, solar, wind, storage, fuel cells, biofuels, electric vehicles, demand response, advanced metering, and enabling software. Our members also include companies that have made a commitment to power their operations with clean energy and are working with us to break down the barriers that inhibit them from reaching their sustainability goals.

We believe it is absolutely critical to avoid a potential "stop" or even "pause" with the current cap and trade market. Industry, both regulated and unregulated, need certainty that the State is committed to achieving substantial greenhouse gas reductions through the cap and trade system and providing that assurance now would send a strong signal to those inside and outside of California that the program will continue beyond 2020. This will enable and encourage continued investment in technology, research and jobs in California.

The state is already home to over 500,000 advanced energy jobs according to a study commissioned by Advanced Energy Economy Institute. We believe California's substantial leadership in climate and energy has led to this great success and extending the market beyond 2020 will expand market and economic opportunity even further.

California must lead, but the way in which we lead is very important. It is vital the state continues to reduce greenhouse gas emissions and criteria pollutants. It is also important that we do so cost effectively so that other states and nations will eventually follow. We believe this two-bill package achieves these goals while putting resources in place to better address local criteria air pollutants.

For these reasons, AEE urges your **support** for AB 398 and AB 617.

cc: The Honorable Eduardo Garcia, California State Assembly
The Honorable Christina Garcia, California State Assembly
Alice Reynolds, Office of Governor Brown