



# CALIFORNIA METALS COALITION

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Assembly Speaker Anthony Rendon - Fax: (916) 319-2117

## **RE: SUPPORT AB 1612 – Doubling Self Generation Incentive Program (SGIP)**

California is home to approximately 3,000 metalworking facilities, employing over 100,000 Californians with middle-class manufacturing jobs and health benefits. 8 out of 10 employees in the metalworking sector are considered ethnic minorities or reside in disadvantaged communities.

California's metalworking companies recycle discarded metal and manufacture new components used in: aerospace, biotech apparatuses, solar panels, electric cars, medical devices, infrastructure, national defense, agriculture, construction, transportation and millions of other applications.

Energy, materials, labor and far reaching regulations are the major factors impacting metal manufacturers. The cost of energy in the state of California is significant for metal manufacturing businesses, especially because we primarily compete with out-of-state competitors.

Metal manufacturing businesses are under heavy constraints when it comes to consumption of electricity. Rate changes, time-of-day complexities, peak and demand restrictions, rolling blackouts, and unpredictable AB 32 "pass on" charges make it difficult to manage a metal business.

**California's Self-Generation Incentive Program (SGIP) has made it possible for metalworking facilities to install on-site energy systems. California metalworking facilities are currently operating fuel cells, natural gas clean engines, microturbines, battery storage and solar. By doubling the funding for SGIP, AB 1612 will help more businesses adopt the energy technology necessary for a clean, reliable and affordable future for California's electrical grid.**

We thank you for your dedication to our state, supporting middle-class jobs, and balancing the needs of all California communities.

Sincerely,

James Simonelli  
Executive Director