



March 9, 2026

Ms. Rajinder Sahota  
Deputy Executive Officer  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

RE: Comments on Proposed Cap-and-Invest Regulations

Dear Ms. Sahota,

Riverside Public Utilities (RPU) appreciates the opportunity to comment on the proposed amendments to the Cap-and-Invest Program.

RPU shares the concerns raised by the California Municipal Utilities Association regarding the proposed reduction in Electric Distribution Utility (EDU) allowance allocations for 2027–2030. The current 2021–2030 allocation framework provided publicly owned utilities with planning certainty and informed long-term procurement and decarbonization decisions. Revising those allocations midstream undermines that framework and creates unnecessary uncertainty for utilities that relied on the previously adopted rules.

For RPU, the proposed change would reduce expected allowance value beginning in 2027 and create additional upward pressure on customer rates. Based on CARB's revised EDU allocation table, RPU estimates the proposal would reduce its allocation by approximately 529,000 allowances, representing roughly \$31.7 million in allowance value over the 2027–2030 period assuming an average allowance price of approximately \$60.

Because publicly owned utilities operate on a cost-of-service basis, reductions in allowance value ultimately translate into higher costs for local ratepayers or reductions in programs that benefit our community. Given the Legislature's clear direction in AB 1207 to prioritize affordability and minimize ratepayer impacts, maintaining the previously established EDU allocations is the most straightforward way to ensure the Program continues to meet that objective.

For these reasons, RPU respectfully urges CARB to maintain the previously established EDU

allowance allocations for the 2021–2030 period or revise the proposal to avoid unintended cost impacts on publicly owned utility customers.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Garcia".

**David Garcia**  
Utilities General Manager  
Riverside Public Utilities