

City of Roseville (Amber Blixt)

City of Roseville Comments on CARB Cap-and-Invest 15-Day Changes



City Council
311 Vernon Street
Roseville, California 95678

April 29, 2026 | [Submitted electronically](#)

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

RE: Roseville Comments on 15-Day Proposed Changes to CARB’s Cap-and-Invest Regulations

The City of Roseville (Roseville) welcomes the opportunity to provide comments on the California Air Resources Board’s (CARB’s) 15-day proposed amendments to the Cap-and-Invest Program (Program), released for public comment on April 14, 2026 (Proposed Regulations).

As a full-service city, Roseville serves over 72,000 electric customers and a population over 150,000. Roseville is a growing city, home to major industries including manufacturing, healthcare, and retail businesses. Currently, 66% of Roseville’s power is sourced from carbon-free and renewable resources and our utility devotes significant attention to meeting the state’s greenhouse gas emission reduction requirements, energy efficiency programs, and the renewable portfolio standard program. Roseville is in the process of making our existing gas generation fleet cleaner by replacing a 40-year-old unit with modern technology as well as improving the efficiency of other units through a grant awarded by the California Energy Commission’s Distributed Electricity Backup Assets (DEBA) program. Our utility is committed to providing safe, reliable and affordable electric service to the residents and businesses of the City of Roseville and our customers consistently report high satisfaction ratings for the services and programs provided.

While Roseville expressly recognizes the improvements made in the proposed 15-day regulations in comparison to the original 45-day package, Roseville is still concerned with the proposed cuts to our annual allocations over the next 4 years as provided in the Proposed Regulations.

Roseville respectfully urges CARB to maintain Roseville’s allowance allocations as previously established for 2021-2030. The fixed 10-year Electrical Distribution Utility (EDU) allocation of allowances for 2021 to 2030, as established in the existing regulations, was intentionally designed to incentivize reductions in greenhouse gas (GHG) emissions from electricity generation while mitigating compliance-cost impacts for customers. While many utilities have been “made whole” because of the proposed 15-day changes (Roseville supports those outcomes), Roseville continues to be concerned with this mid-course change to the program and the uneven impacts that these proposed changes have placed on Roseville specifically. Based on CARB’s revised EDU allocation table for 2027–2030, Roseville is estimated to lose approximately **170,329** allowances (approximately **\$5,359,097** in allowance value)

when using the expected floor prices as a conservative estimate.¹ These reductions along with the associated allowance value will ultimately be borne by our customers through rate increases and/or reduced utility programs and services.

Because utilities are in the “heavy lifting” phase of many of the long-term renewable energy, emission reduction and clean vehicle policies that have been established over the last two decades, there is a need for more support to avoid undue financial burdens on our customers in the near-term. Utility allowance allocations are an important ratepayer affordability function that CARB should preserve in this rulemaking, especially considering the simultaneous confluence of all these electric centric goals. Roseville is seeking CARB to “do no harm” in terms of implementing allowance allocations over the next four years; specifically, to maintain Roseville’s allowance allocations as previously established in the existing regulations for the 2021-2030 period.

A Strategic Partner and Destination Fueling Growth. As a not-for-profit utility, Roseville Electric’s revenues are reinvested back into our community. To keep rates low, Roseville is constantly planning for the power needs of our community. We have pursued a wide range of generation opportunities, in combination with the use of long-term contracts and other investment strategies.

Roseville has over 7,300 commercial customers with 238 manufacturers and has become a hub for business development with several large industries located in Roseville because of our affordable rates, high reliability, and dependable service. One large industrial manufacturing customer is revamping an existing semiconductor facility to produce silicon carbide chips that will be used primarily in electric vehicles. Roseville offers a significant advantage for industries like these where electricity is a major expense.

Reducing our allowances in the near-term may undercut our ability to attract these types of businesses to our community and our region. Roseville is also concerned that using a conservative load forecast in combination with these midstream updates may have negatively impacted our proposed allowance allocation in this rulemaking, especially when considered in combination with industries, like the one described above, expanding in our city.

In conclusion, CARB’s proposed regulations significantly reduce the established 2027–2030 EDU allocations to our utility, materially increase costs for Roseville customers, and undermine resource planning and rate planning certainty that Roseville relied on early in the program. While Roseville appreciates the improvements in the 15-day changes, CARB should ensure that protecting ALL ratepayers remains a focal point as changes to the Program are developed. Therefore, Roseville recommends maintaining Roseville’s existing allowance allocations as established in the existing regulation.

¹ Roseville used a \$28.00 floor price for 2027, a \$30.00 floor price for 2028, a \$33.00 floor price for 2029, and a \$35.00 floor price for 2030 to calculate the loss in allowance value under CARB’s Proposed Regulations.

Thank you for the opportunity to provide feedback on the Proposed Regulations. Please reach out to Legislative and Regulatory Manager, Amber Blixt at aablixt@roseville.ca.us if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'KB', is written over a horizontal line.

Krista Bernasconi, Mayor
City of Roseville