Ken Alex, Senior Advisor to Governor Brown and Director of the Office of Planning and Research, speaks at the UCLA / Berkeley Law forum on May 23rd in Sacramento

Governor Brown entered office in January with an ambitious agenda for renewable energy, calling for 20,000 megawatts from renewable sources by 2020, including 12,000 of localized or distributed generation and 8,000 from large-scale development. So how will this vision become a reality? UCLA and Berkeley Law gathered key leaders in California to discuss this issue at a May 23rd event in Sacramento (my blogvertisement for the event is here). Specifically, we discussed policies California needs to meet the 33% renewable energy standard by 2020, which encompasses much of the new governor’s goals.

Ken Alex, Governor Brown’s senior advisor and director of the Office of Planning and Research, spoke at length about the Governor’s vision for achieving this goal. I hope to have video footage to post soon, but in a nutshell, Alex described this moment as a “paradigm shift” for how we supply energy, with 33% being just a “way station” on the road to 40% and beyond, which could be achievable even before 2020. He cited statistics showing that California permitted 6,000 megawatts of large-scale renewable energy in 2010, mostly in the California desert, and that in the coming year the state anticipates permitting another 7,000 megawatts. All told, that means in two years, the state will have permitted 13,000 megawatts, representing a big chunk of where we need to go for 33% renewables and a significant portion of the 50 to 60,000 megawatts needed to meet the state’s peak power demand. If California were a country, Alex noted, we would be second only to Denmark in our percentage of renewable power.

Alex believes that there are plenty of opportunities for siting localized renewable energy, such as along state highways, prisons, and the aqueduct, and that many businesses are now actively pursuing renewable projects on their facilities, such as Loews and Wal-Mart. The Office of Planning and Research is also committed to streamlining environmental review for these kind of projects in order to steer them into the most optimal locations through regulatory incentives.

Implementation will of course entail significant challenges, and Alex expressed a desire to work with utilities on overcoming barriers to interconnecting these new renewable facilities and to ensure that ratepayers are not unduly burdened with financing much of this new development. But overall, he is optimistic that California can lead the nation and world on deploying renewable energy.

Certainly the governor’s office is well-positioned to help California achieve this goal, and with the recently enacted legislation to enshrine the 33% by 2020 standard, the wind seems to be at their backs. However, permitting these facilities and actually seeing them built are different issues, and with expiring federal tax incentives to encourage their deployment, courtesy of the now-sunsetting Obama stimulus plan, the future may be more uncertain than we’d like when it comes to large-scale renewable facilities. Rising energy prices may also dampen ratepayer and voter enthusiasm for subsidizing these projects.

Still, California is widely seen as a leader on renewable energy, and the venture capital investment and innovation found here is unparalleled. Falling prices on solar panels is making them cost-competitive with some fossil-fuel based forms of energy production, and with the right regulatory policies, the bottom line for these projects will become more attractive. Simply put, if it’s going to happen at all, it will happen here in California, and probably under this administration.