

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Rulemaking Regarding Whether, or Subject to
What Conditions, the Suspension of Direct Access
May Be Lifted Consistent with Assembly Bill 1X
and Decision 01-09-060.

Rulemaking 07-05-025
(Filed May 24, 2007)

**RESPONSE OF THE DIRECT ACCESS CUSTOMER COALITION, THE SCHOOL
PROJECT FOR UTILITY RATE REDUCTION AND ENERGY USERS FORUM IN
SUPPORT OF THE MOTION OF CALIFORNIA ALLIANCE FOR CHOICE IN
ENERGY SOLUTIONS AND THE ALLIANCE FOR RETAIL ENERGY MARKETS
FOR ORDER DIRECTING THE UTILITIES TO SUBMIT
REPORTS ON THE NOTICE OF INTENT PROCESS**

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June 11, 2010

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Pursuant to Rule 11.1(e) of the Commission’s Rules of Practice and Procedure and the June 7, 2010, Ruling of ALJ Pulsifer,¹ the Direct Access Customer Coalition (“DACC”), the School Project for Utility Rate Reduction (“SPURR”) and the Energy Users Forum (“EUF”) jointly submit this response in support of the motion for an order directing the utilities to submit reports on the Notice of Intent (“NOI”) process adopted in Decision (“D.”) 10-03-022 that was filed by California Alliance for Choice in Energy Solutions and the Alliance for Retail Energy Markets (jointly referred to herein as “CACES/AReM”) on June 4, 2010.²

DACC is a regulatory alliance of commercial, industrial and governmental customers who have opted for direct access for some or all of their loads. Both SPURR and EUF have members who avail themselves of direct access as well. As such, we have a significant interest in the CACES/AReM Motion. DACC, SPURR and EUF members initially viewed the recent

¹ Administrative Law Judge’s Ruling Granting Motion of California Alliance for Choice in Energy Solutions and the Alliance for Retail Energy Markets to Shorten Time for Responses.

² See, Motion of California Alliance for Choice in Energy Solutions and the Alliance for Retail Energy Markets for Order Directing the Utilities to Submit Reports on the Notice of Intent Process (“Motion”).

Phase 1 reopening of the DA market with great enthusiasm. Since the direct access suspension was implemented in September of 2001, retail choice had been foreclosed from the vast majority of commercial, industrial and governmental accounts. The passage of SB 695 and the Commission's issuance of D.10-03-022 were both viewed by our members as a promising development. However, the reality of the Notice of Intent ("NOI") process fell far short of the promise. DACC, SPURR and EUF members who filed NOIs to return to direct access precisely at the 9:00 a.m. April 16, 2010 commencement date not only had their NOIs rejected, they were not even placed on the limited wait-lists approved by the decision. Put simply, we have no idea what customers actually had NOIs approved, but there has been extraordinarily poor results reported from among our membership.

DACC, SPURR and EUF therefore concur with CACES/AReM that there is a significant need for the Commission, customers, and Electric Service Providers to have access to detailed information related to the conduct and results of the NOI process. The Commission should issue an order directing each of the IOUs to submit a report that contains all of the information contained in the CACES/AReM Motion. DACC, SPURR and EUF also note that the list contained in the Motion, while comprehensive, should be further expanded to include the following items of information relative to each of the utilities' respective service territories:

1. How granular did each utility get with their time stamp, i.e. 9 AM, 0 minutes, 0 seconds, and 1 centisecond or 9 AM, 0 minutes, 0 seconds, 1 centisecond and 2 milliseconds?
2. The process required NOIs to be grouped/submitted by customer Tax ID number and SAID (or account number for SDG&E) yet the utilities did not furnish the relevant Tax ID number(s) to multiple account customers and it was left up to the customer to

correlate. Were any NOI rejected due to discrepancies between utility records regarding customer tax ID numbers? If so, how many?

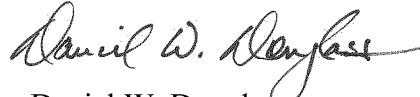
3. Were any NOIs submitted by fax accepted? If so, how many?
4. What was the distribution of acceptances by tariff class? For example, what percentage of the cap (by MWhr and absolute number) was assigned to large customers (E19, E20, TOU8) versus the percentage/number allocated to general service commercial accounts?
5. Was there a return of “DA-eligible” customers to direct access service that occurred prior to the NOI process? If so, how much of the eligible Phase I load was used up by such customer movement?
6. Was there any pattern of acceptance of certain NOIs, by geographic proximity of the applicant’s location of NOI submittal to the location of the IOU’s offices (email transmission), or other patterns? In other words, the Commission should consider whether the current email/fax system is fair or should the Commission consider a lottery or even an auction for subsequent phases and/or should a third qualified party be considered to receive and register the six month notices on behalf of the utilities?

DACC, SPURR and EUF finally request that the Commission direct that the utilities shall be required to file the same reports in subsequent phases of the direct access reopening.

In conclusion, the IOUs should be directed to file detailed and publicly available reports on how the implementation of the 2010 phase was conducted and the results of the recent NOI process. The Commission needs to examine these reports, hear from interested parties and determine whether there are procedural improvements that can be adopted in connection with the remaining implementation phases. DACC, SPURR and EUF support the CACES/AReM request

that the IOUs be directed to file and serve the reports on the parties to this proceeding no later than June 30, 2010.

Respectfully submitted,



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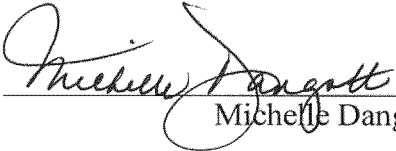
Attorneys for
DIRECT ACCESS CUSTOMER COALITION
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AND ENERGY USERS FORUM

June 11, 2010

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the *Response of the Direct Access Customer Coalition, the School Project for Utility Rate Reduction and Energy Users Forum in Support of the Motion of California Alliance for Choice in Energy Solutions and the Alliance for Retail Energy Markets for Order Directing the Utilities to Submit Reports on the Notice of Intent Process* on all parties of record in *R.07-05-025*, by serving an electronic copy on their email addresses of record and by mailing a properly addressed copy by first-class mail with postage prepaid to each party for whom an email address is not available.

Executed on June 11, 2010, at Woodland Hills, California.



Michelle Dangott

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