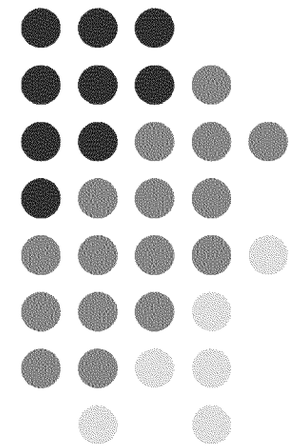
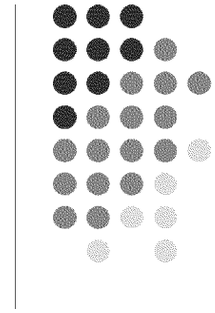
Switching Rules for CCA Programs

Marin Energy Authority

December 15, 2010

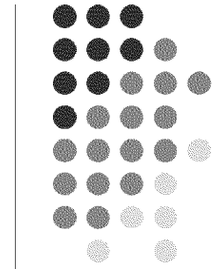


Switching rules should not apply to CCA customers



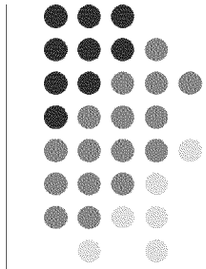
- CPUC decisions related to DA customers were made at a time when no CCA programs existed in CA
- IOU's have other mechanisms in place to protect bundled customers from any departing CCA load
- Past actions by the IOU in Marin have compromised CCA customer decision-making
- Technical problems caused by the IOU in Marin have impacted and continue to impact CCA customer decision-making
- Switching rules encourage non-cooperative behavior

Prior CPUC decisions were made in advance of CCA implementation



- No CCA program existed when switching rules were established, thus, potential impacts on CCA programs were unknown
- Switching rules for DA are now being reevaluated – considering CCA switching rules on a parallel track seems appropriate
- Prior CPUC decisions were made at a time when IOU cooperation with CCA efforts was anticipated
- CCAs are currently engaged in implementation activities

3-year retention rule is arbitrary & duplicative



- Outside CA, there is no 3-year retention rule benefiting the incumbent utility or the CCA
- Lack of symmetry: Inside CA, there is no 3-year retention rule benefiting CCA programs – only the IOUs
- MEA uses other strategies to manage load/resource balances without limiting customer choice
- IOUs in CA already have measures in place to protect against departing load (PCIA, etc.)
- CCA customers are small residential and small business consumers, so load migration is easier to manage

Actions in Marin have impacted customer decision-making

- Marketing and customer communications
- Technical/implementation issues
- The 3-year retention rule limits customer choice