BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Applying the Market Index Formula and As-Available Capacity Prices adopted in D.07-09-040 to Calculate Short-Run Avoided Cost for Payments to Qualifying Facilities beginning July 2003 and Associated Relief.	A.08-11-001 (Filed November 4, 2008)
And Related Matters.	R.06-02-013 R.04-04-003 R.04-04-025 R.99-11-022

APPLICATION FOR REHEARING OF THE MARIN ENERGY AUTHORITY, THE ALLIANCE FOR RETAIL ENERGY MARKETS AND THE DIRECT ACCESS CUSTOMER COALITION

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January 20, 2011

SUMMARY OF RECOMMENDATIONS

The Commission should grant rehearing and modify the Decision to remove from the Settlement Agreement those provisions that impose requirements and costs on community choice aggregators ("CCAs"), energy service providers ("ESPs"), and publicly owned utilities ("POUs"), who were not represented in the negotiations.

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APPLICATION FOR REHEARING OF THE MARIN ENERGY AUTHORITY, THE ALLIANCE FOR RETAIL ENERGY MARKETS AND THE DIRECT ACCESS CUSTOMER COALITION

In accordance with Rule 16.1 of the Commission's Rules of Practice, the Marin Energy Authority ("MEA")[1], the Alliance for Retail Energy Markets ("AReM")[2], and the Direct Access Customer Coalition ("DACC")[3] (hereinafter collectively referred to as the CCA/Direct Access Parties) respectfully submit this application for rehearing of Decision ("D.") 10-12-035 (the "Decision"). The Decision commits legal error by adopting, without change, a Settlement Agreement (the "Settlement Agreement") between the investor owned utilities ("IOUs"), The Utility Reform Network, the Division of Ratepayer Advocates, the California Cogeneration Council, the Cogeneration Association of California, the Energy Producers and Users Coalition,

[1] The Marin Energy Authority is the not-for-profit community-based public agency that administers Marin Clean Energy, California's first Community Choice Aggregation ("CCA") program, a retail electric supply service delivering high renewable content to its customers in Marin County.

[2] AReM is a California mutual benefit corporation formed by Electric Service Providers ("ESPs") that are active in California's "direct access" retail electric supply market. The positions taken in this filing represent the views of AReM and its members but not necessarily the affiliates of its members with respect to the issues addressed herein.

[3] DACC is a regulatory alliance of educational, commercial and industrial customers that utilize direct access for all or a portion of their electricity requirements.

and the Independent Energy Producers Association (the "Settling Parties"). The Settlement Agreement resolves issues among the Settling Parties with provisions that directly affect the interests of Community Choice Aggregators ("CCAs"), Energy Service Providers ("ESPs"), and publicly owned utilities ("POUs") (collectively the "Non-Settling Parties"), even though none of these parties were represented in the eighteen month settlement process that resulted in the Settlement Agreement.

The CCA/Direct Access Parties note that on January 18, 2011, the City and County of San Francisco ("CCSF") filed an application for rehearing of the Decision.[4] In that filing, CCSF offers a thorough and well-researched documentation of the legal error committed in the Decision that should prove persuasive to the Commission. The CCA/Direct Access Parties hereby adopt the arguments of CCSF and seek rehearing on the same grounds.

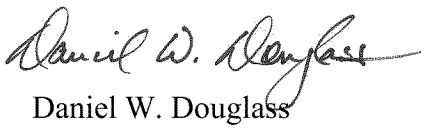
The Commission can and should correct the legal error described by CCSF in the CCSF Rehearing Application and eliminate and modify the elements of the Decision that impact ESPs, CCAs, POUs and their respective customers. These provisions are contrary to the law and the public interest, and unsupported by the record.

While the Settlement Agreement addresses and resolves a number of issues that have long been unresolved as between the IOUs and CHP providers, it was unnecessary and inappropriate for these parties to include in the Settlement Agreement provisions that harmed the interests of entities which were purposefully excluded from the settlement negotiations to streamline the settlement process. Due process and fairness are called into question when the Settling Parties had the opportunity to include the Non-Settling Parties to protect their interests, but chose instead not only to exclude the Non-Settling Parties, but also to impose obligations and

[4] *The City and County of San Francisco's Application for Rehearing of Decision 10-12-035* ("CCSF Rehearing Application").

costs upon them in their absence. Rehearing should be granted for the reasons elucidated herein and in the CCSF Rehearing Application.

Respectfully submitted,



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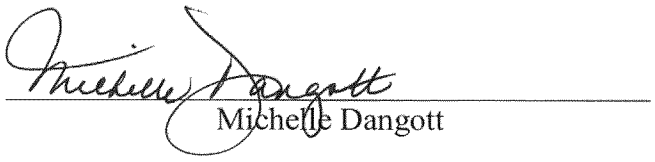
DIRECT ACCESS CUSTOMER COALITION

January 20, 2011

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the ***Application for Rehearing of the Marin Energy Authority, the Alliance for Retail Energy Markets and the Direct Access Customer Coalition on The ALJ Wetzel Decision Adopting Proposed Settlement*** on all parties of record in ***A.08-11-001, R.06-02-013, R.04-04-003, R.04-04-025 and R.99-11-022***, 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 January 20, 2011, at Woodland Hills, California.



Michelle Dangott

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