

**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)

**COMMENTS OF MARIN ENERGY AUTHORITY ON
PROPOSED DECISION REGARDING ELECTRIC SERVICE PROVIDER
FINANCIAL SECURITY REQUIREMENTS FOR INCREMENTAL
PROCUREMENT COSTS**

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December 10, 2012

SUBJECT INDEX

1. MEA strongly supports the Commission's affirmation that "a Commission decision on ESP financial security requirements does not prejudice whether or how financial security requirements and re-entry fee obligations may apply for CCAs." (Proposed Decision at 8.)
2. MEA strongly agrees that a Commission determination regarding the applicability of P.U. Code Section 394.25(e) to Electric Service Providers should not determine or prejudice how such provision would apply to Community Choice Aggregators. (Proposed Decision at 8-9.)

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In accordance with Rule 14.3 of the California Public Utilities Commission (“Commission”) Rules of Practice and Procedure, the Marin Energy Authority (“MEA”) ¹ respectfully submits comments on the proposed *Decision Regarding Electric Service Provider Financial Security Requirements for Incremental Procurement Costs* (“PD”) issued November 20, 2012 by Administrative Law Judge (“ALJ”) Thomas R. Pulsifer. Herein, MEA provides comments on only those portions of the PD applicable to community choice aggregators (“CCAs”), which MEA supports in their entirety.

For example, MEA strongly supports the language within the PD which affirms that “a Commission decision on [Electric Service Provider (“ESP”)] financial security requirements does not prejudice whether or how financial security requirements and re-entry fee obligations may apply for CCAs.” (PD at 8.) Furthermore, MEA supports the Commission’s language that the applicability of Public Utilities Code Section 394.25(e) to ESPs is not determinative or precedential as to the applicability of that provision to CCAs. (PD at 8-9.) The Commission’s

¹ MEA is the only operational Community Choice Aggregator (“CCA”) within California. MEA currently serves customers in Marin County, and is beginning to serve customers in the City of Richmond. MEA provides generation services to upwards of 90,000 customers and anticipates expanding to approximately 125,000 once Richmond is fully enrolled in 2013.

identification of these issues is essential. ESP and CCA operations, governance structures, legal underpinnings and customer bases differ greatly, and as a result there are compelling legal and policy reasons why financial security requirements – and results of analyses regarding Section 394.25(e) – would differ between ESPs and CCAs.

MEA thanks Assigned Commissioner Ferron and Assigned Administrative Law Judge Pulsifer for the opportunity to provide the above comments on the proposed *Decision Regarding Electric Service Provider Financial Security Requirements for Incremental Procurement Costs*. MEA supports the CCA -specific language within the PD and requests that the Commission retain Section 3.1 in its entirety in any further revisions to the PD.

Respectfully submitted,

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