
PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



December 10, 2013

The Honorable Marc Levine
California State Legislature - State Capitol
Sacramento, CA 95814

Dear Assemblymember Levine,

Thank you for reaching out to me on the proposed decision enabling Community Choice Aggregators (CCAs) to administer Energy Efficiency programs. As you are aware, Senate Bill 790 enables CCAs to administer energy efficiency programs. Since 2005, the Commission has limited CCA "administration" of energy efficiency programs to "implementation" of individual energy efficiency programs. If adopted, the proposed decision will change that; it will allow CCAs to administer a portfolio of energy efficiency with the same rights, and subject to the same responsibilities, as the investor-owned utilities.

I recognize that there are aspects of the proposed decision with which Marin Energy Authority takes issue, and which your letter also raises. Some additional context may help clarify why the proposed decision arrives where it does, particularly with respect to CCA administration of programs for gas (as opposed to, or in conjunction with) electric savings.

A CCA provides electric service to its customers; with the proposed decision, we are creating a pathway for a CCA to provide energy efficiency programs to either its customers or to all customers in its service territory using electric funds. *Nothing in the proposed decision stops a CCA from administering programs that provides both electric and natural gas benefits to customers.* The proposed decision is explicit about this. The proposed decision contemplates a coordination between the CCA and its natural gas utility counterpart to fund and to allocate savings for programs with both electric and natural gas benefits.

The CPUC already has a working model of this relationship. Southern California Edison, an electric-only utility, and Southern California Gas, a natural gas-only utility, consistently coordinate energy efficiency programs. The two utilities transparently allocate funding and savings without placing any additional burden on the customer implementing the efficiency measures.

After issuing the proposed decision in October, the CPUC has received comments from multiple parties; I will do my best to clarify and hopefully address your concerns. I thank you for your interest.

Sincerely,

Mark J. Ferron
Commissioner