

GLOSSARY

AB 1890: Assembly Bill 1890 which was signed into law on September 23, 1996 as Chapter 854 of the Statutes of 1996. AB 1890 provides the legislative guidance for restructuring of the electric industry in California.

Aggregator: any marketer, broker, public agency, city, county, or special district, that combines the loads of multiple end-use customers in facilitating the sale and purchase of electric energy, transmission, and other services on behalf of these customers.

Broker: an entity that arranges the sale and purchase of electric energy, transmission, and other services between buyers and sellers, but does not take title to any of the power sold.

CEP: the customer education program.

Competitive Transition Charge (CTC): a nonbypassable charge on each customer of the distribution utility, including those who are served under contracts with nonutility suppliers, for recovery of the utility's transition costs.

Customer Education Program (CEP): the educational effort required under Public Utilities Code Section 392, which requires electric corporations, in conjunction with the CPUC, to devise and implement an education program that informs customers of the changes to the electric industry.

Direct Access Transaction: a contract between any one or more electrical generators, marketers, or brokers of electric power and one or more retail customers providing for the purchase and sale of electric power or any ancillary services.

Electric Service Provider: an entity which provides electric service to a retail or end-use customer, but which does not fall within the definition of an electrical corporation under Section 218.

Generators: those entities which will design, construct, own, operate, and maintain generation assets to supply energy and ancillary services to the competitive market.

Independent System Operator (ISO): the ISO is responsible for the operation and control of the statewide transmission grid.

Marketer: any entity that buys electric energy, transmission, and other services from traditional utilities and other suppliers, and then resells those services at wholesale or to an end-use customer.

Power Exchange (PX): the entity that will establish a competitive spot market for electric power through day and hour ahead auction of generation and demand bids.

Public Goods Charge (PGC): a nonbypassable surcharge imposed on all retail sales to fund public goods research, development and demonstration, and energy efficiency activities, and possibly to support low income assistance programs.

Retailers: an electric service provider who enters into a direct access transaction with an end-use customer, i.e., aggregators, brokers, and marketers.

Scheduling Coordinators (SCs): entities certified by the Federal Regulatory Commission that act as a go-between with the ISO on behalf of generators, supply aggregators (wholesale marketers), retailers, and customers to schedule the distribution of electricity.

Supply Commercial Customer: a customer that has a maximum peak demand of less than 20 kilowatts.

Virtual Direct Access: also known as the hourly PX rate option. This rate option allows customers to purchase electricity on a rate schedule that reflects their usage in real time or time of use increments based on the PX price.

Utility Distribution Companies (UDCs): the entities which will continue to provide regulated services for the distribution of electricity to customers and serve customers who do not choose direct access.