

**PUBLIC UTILITIES COMMISSION**

Office of Governmental Affairs

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Sacramento, CA 95814  
(916) 327-3277

April 22, 2009

The Honorable Alex Padilla, Chair  
Senate Energy, Utilities & Communications Committee  
State Capitol, Room 4038  
Sacramento, CA 95814**RE: SB 17 (Padilla) – As Introduced – Support with Amendments**  
**Status: Senate Energy, Utilities & Communications Committee**

Dear Senator Padilla:

On April 16, 2009, the California Public Utilities Commission (Commission) voted unanimously to support SB 17 with amendments. SB 17 establishes as state policy the modernization of the state's electrical grid to maintain reliable and secure electrical service with infrastructure that can meet future growth in demand while achieving several other objectives such as integration of distributed generation resources, demand-side resources and 'smart' technologies.

The Commission opened a Rulemaking on December 18, 2008, in response to federal legislation, to consider policies for California investor-owned utilities (IOUs) to enhance the ability of the electric grid to support policy goals such as reducing green house gases, increasing energy efficiency and demand response, expanding use of renewable energy, and improving system reliability.

Please see the attached analysis for a detailed explanation of the Commission's position.

If you have any questions or wish to discuss this matter further, please do not hesitate to call me at (916) 327-8858.

Sincerely,

ALICIA PRIEGO  
Legislative Liaison

Attachment

cc: Members, Senate Energy, Utilities & Communications Committee  
Kellie Smith, Senate Energy, Utilities & Communications Committee  
Wade Teasdale, Senate Republican Caucus/Policy  
John Moffatt, Chief Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger