

## PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs

770 L Street, Suite 1050  
Sacramento, CA 95814  
(916) 327-3277

June 8, 2009

The Honorable Felipe Fuentes, Chair  
Assembly Utilities & Commerce Committee  
State Capitol, Room 5136  
Sacramento, CA 95814**RE: SB 17 (Padilla) – As Amended May 5, 2009 – Support with Amendments**  
**Status: Assembly Committee on Utilities and Commerce**

Dear Assemblyman Fuentes:

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,

A handwritten signature in cursive script that reads "Alicia Priego".

ALICIA PRIEGO  
Legislative Liaison

Attachment

cc: The Honorable Alex Padilla, Senator, California State Senate  
Members, Assembly Utilities & Commerce Committee  
Edward Randolph, Assembly Utilities & Commerce Committee  
Daryl Thomas, Republican Caucus/Policy  
John Moffatt, Chief Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger