PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs

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

June 10, 2009

The Honorable Felipe Fuentes, Chair Assembly Utilities & Commerce Committee State Capitol, Room 5136 Sacramento, CA 95814

RE: SB 7 (Wiggins) – As Amended May 5, 2009 – Support with Amendments Status: Assembly Committee on Utilities and Commerce

Dear Assemblyman Fuentes:

On June 4, 2009, the California Public Utilities Commission (Commission) voted to support SB 7 with amendments. SB 7 allows net energy metering (NEM) customers to carry forward an annual bill credit for up to an additional 24 months. SB 7 would also change the date of a required report to the Governor and the Legislature on the costs and benefits of NEM from January 1, 2010 to June 30, 2010, and require the CPUC to include an evaluation of the impact of net surplus electricity generation and bill credits.

SB7 provides a customer additional flexibility by allowing the monetary bill credits to be carried forward for 2 additional 12-month periods, or 2 additional years.

In addition, the bill provides additional time for the CPUC to complete a NEM cost-benefit study so that the study can incorporate additional analysis related to the impact of excess kilowatt hours and excess credits on solar generators and other ratepayers.

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: The Honorable Patricia Wiggins, 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