



July 19, 2018

TO: Members of the Assembly Appropriations Committee

FROM: Amisha Rai, California Policy, Advanced Energy Economy
Caitlin Marquis, Federal and State Policy, Advanced Energy Buyers Group

SUBJECT: SB 237 (Hertzberg): Direct Access- SUPPORT

Advanced Energy Economy (AEE) and the Advanced Energy Buyers Group (AE Buyers Group) **support** SB 237, which would make the state a more attractive place to do business and open up new opportunities for California's nonresidential customers to meet their specific electricity needs while driving innovation and supporting the reliability, affordability, and decarbonization of California's electric grid.

AEE is a national association of businesses dedicated to transforming public policy to enable a prosperous world that runs on clean, secure, affordable energy. We are comprised of over 100 companies both large and small across the technology spectrum, including energy efficiency, solar, wind, storage, fuel cells, biofuels, electric vehicles, demand response, advanced metering, and enabling software.

The AE Buyers Group is a business-led coalition of large energy users engaging on policies to expand opportunities for corporate customers to procure energy that is secure, clean, and affordable.¹ Members of the AE Buyers Group share a common interest in expanding their use of advanced energy in order to make their businesses more competitive, resilient, and sustainable enterprises far into the future while also meeting the needs and expectations of their customers, employees, shareholders, and other key stakeholders.

The long waiting list for California's limited direct access allowance makes clear that businesses want access to more choice and control when it comes to their electricity purchases. Expansion of California's limited direct access cap to include all nonresidential customers will give California businesses the flexibility they require to meet their specific electricity needs and preferences, leveling the playing field for companies already here and providing new

¹ This letter represents the consensus view of the Advanced Energy Buyers Group, but does not necessarily reflect the position of any individual company. The AE Buyers Group is facilitated by AEE, but the policy positions of the AE Buyers Group are determined by its members. See <https://info.aee.net/ae-buyers-group> for more information.

opportunities for those considering expanding or relocating to California. As customers play an increasingly important role in driving advanced energy growth, the flexibility provided by SB 237 will not only address business needs, but also support and even accelerate California's efforts to increase the reliability, affordability, and decarbonization of its electricity grid.

Our organizations also recognize and take seriously the need to protect residential customers not eligible to participate under direct access. These concerns can be addressed while meeting the needs of California businesses. We note that the California Public Utilities Commission is undergoing a thorough regulatory process to ensure that customers served by investor-owned utilities are left indifferent when other customers depart to be served by Community Choice Aggregation or an Electricity Service Provider. We believe this process is an appropriate avenue to address such concerns.

For all the reasons stated above, we support SB 237.

Cc: The Honorable Robert Hertzberg, California State Senate
Jay Dickenson, Chief Consultant, Assembly Appropriations Committee
Tresha Petit-Phar, Principal Assistant, Assembly Appropriations Committee
Laura Lynn Gondek, Committee Secretary, Assembly Appropriations Committee