

Commissioner Simon's Statement on Item 42

Colleagues, I vote against this item. AB 117 is fairly recent legislation and the Community Choice Aggregation (CCA) program is new and just being implemented. It is conceivable that there may be even more an improvement to refine and improve the program as time goes on. Given that we are early on in the implementation of the CCA program, the rules around CCAs are continuing to evolve. It is important for the CPUC to have rules that result in a level playing field for all players—rules that don't advantage one participant over another. It is important for the CPUC to develop clear rules and we are endeavoring to do that as the CPUC oversees and facilitates the development of proposed CCAs.

Stepping back for a minute, when a CCA program is “certified” by the CPUC and is implemented by the CCA, customers are automatically defaulted to be CCA customers. If a customer wishes to elect to be an investor-owned utility (IOU) customer, the customer must be aware that it must Opt Out of the CCA. The CCA must administer the program or it can decide to have the IOU administer the program. I appreciate the work Energy Division and Law have done on this item. However, I am concerned that we are not there yet especially in the areas of :

1. The potential for customer confusion due to a potential phasing in of customers to a CCA; and,
2. Confusion as to who the IOU is serving under CPUC jurisdiction once cutover occurs.

To be clear, I support Community Choice Aggregation and Direct Access but have grave concerns under these rules that we are stepping into a minefields in so prescribing how an IOU can communicate with its own customers, outside fraud, etc.

From a higher level perspective I am also concerned with a possible government taking of IOU customers and, as I mentioned, concerned about the implications on free speech.